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FARM CREDIT

FARM INSURANCE

FARM TAXATION

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FINANCIAL MANAGEMENT FOR FARM PEOPLE

Lawrence A. Jones

Financial management may be defined as the management of income, savings, and credit for the purpose of achieving farm and family objectives. Sound credit and financial practices in buying and operating a farm are important aspects of farm management. But financial management has a much broader application. Whereas farm management is mainly directed toward increasing farm profits, the aim of financial management is to make the best use of income and other funds in operating the farm business and also in bettering the level of living and increasing the security of the farm family.

Among farmers who receive about the same amounts of income, there are varying degrees of economic well-being. A high income does not guarantee that the physical condition of the farm will be maintained or improved, or that the family will have a good home and live well, or that savings will be accumulated to provide for future retirement or for other long-time objectives. Although adequate income is basic, financial progress is determined to a significant extent by decisions concerning the use of income and credit and the handling of financial reserves and investments.

The need for sound financial planning and wise financial decisions has become increasingly important in recent decades. Farming is now a complex specialized business which requires the same ability in financial management as do other businesses. Over the years the money income handled by farmers has greatly increased. The cash outgo and the use of credit, for both operating and capital purposes, are near record highs. Also, farm family living is now more dependent on cash purchases of the goods and services of industry. Further, farm expenditures are often heavily concentrated during seasons of the year when receipts are low. And, of course, farm receipts are irregular from year to year.

As the farm business becomes more technical and commercial and as farm families attain the conveniences and levels of city living, the range of activities on which decisions must be made grows larger. Most of these decisions involve, either directly or indirectly, current or

prospective expenditures, saving of money, use and repayment of credit, and investment of funds. These are decisions which have important financial implications.

The basic principles of financial planning and management appear to be less known and accepted among farm people than are those physical and technological practices which have so greatly extended the efficiency and productivity of American agriculture. Many farm people make the same haphazard financial decisions that they made when capital investments were low and there was relatively little income to manage and few cash expenditures to make. An important step could be made toward maintaining or improving family living levels if more farm people would direct their thinking toward the financial implications of various farm and family decisions.

Development of a Financial Plan

With the many choices possible in the spending and investment of income, and in the use of credit, it is often difficult for farmers and their families to make sound decisions without the sense of direction that is provided by an overall plan or program. A systematic approach to developing a financial plan involves: (1) Determining farm and family objectives; (2) inventorying resources and appraising problems; and (3) scheduling specific steps or activities needed to carry out the program.

Determining Farm and Family Objectives

Unless the operator and his family can agree on what they want in life, they will find it difficult to develop a purposeful financial program. The objectives must be known, not only to guide the making of decisions, but also to provide the incentives needed to carry them over any periods of sacrifice and stringency.

In establishing goals, a family must think through the variety of choices open to it, consider what it wants, and decide what it can accomplish. Objectives differ greatly among families, depending on what the family desires and what is feasible for it. Goals also vary from time to time as new choices become available, as desires are altered, and as changed economic conditions affect the achievement of objectives.

The age of the operator, the size and character of his family, his income, type of tenure, and his savings and debt position are a few of the many factors that determine objectives. A young family beginning to farm is interested mainly in acquiring farm capital, establishing an efficient producing unit, and building up income. Later, the main objectives may shift to liquidating debts and otherwise strengthening economic security, providing education for the children, and improving family living levels. Subsequently, the goal may involve arrangements for retirement.

Inventory of Resources

For determining which goals are realistic, and for developing a plan that will lead to these objectives, a thorough analysis of the capabilities, resources, and problems of the farm and family must be made.

First, an analysis should be made of production, receipts, and expenditures to ascertain whether net income and family savings are as large as they should be. This will involve principles of farm management. It should indicate changes in the amount of capital, and in farm practices and organization that are needed to achieve desirable income goals. Next a detailed examination of family expenditures should be made to find out where money is spent, and for which items spending should be increased or decreased. Finally, the general financial situation of the family should be reviewed. Debts should be totaled and analyzed to indicate any reserve borrowing ability or potential repayment difficulty. Financial assets should be inventoried to determine their adequacy for farm and family reserves; and when there are financial investments, an analysis of their liquidity, safety, and rate of return is important.

Resources - physical, financial, and personal - vary widely among individual farmers. Relatively few situations are the same but for purposes of discussion they may be divided into three groups.

1. Farmers with inadequate capital or inefficient organizations. - Lack of capital and inefficient farm organization are often the basic causes of low farm income. Lack of capital is the major handicap of most young farmers. For these groups, the main requirements for improving farm income are to acquire more resources and to reorganize operations so as to increase production and efficiency. The resource aims of an individual should be determined after an inventory of his experience and managerial ability, quantity and quality of labor, availability of credit, amount of capital he has, and the price and production risks inherent in his farming enterprise.

2. Farmers with well capitalized and organized farms but heavy obligations. - These farmers have largely achieved the objectives described above and they are currently operating relatively large and efficient farm units. But many have heavy debts, and most are faced with high operating costs and heavy capital maintenance charges, especially for machinery. Often farmers in this group are middle-aged. They have reached a stage in life when family costs, particularly those for rearing and educating children, are heaviest. Their main concern usually is in maintaining their capital and income positions and in reducing their indebtedness.

3. Farmers with surplus funds to invest. - Farmers in this group have accumulated more funds than they want or need to invest in the farm business. Some were farming during the prosperous war or early postwar years and they have efficient, well-equipped farms that often are debt-free. Others are in a period of life when children are on their "own" and family expenses are relatively low. Farmers who are in this position

may decide to spend more for family purposes, such as modernizing the home, buying a new automobile, traveling, or helping children to get started in farming or in other activities. One important allocation of surplus income is the establishment of reserves to cover such contingencies as low income or unexpectedly heavy expenses. Many, who have not done so before, will begin to save for retirement. The accumulation of these reserves and savings raises questions as to the investment of funds. Where should money be invested and what return and degree of safety and liquidity should be sought?

Developing Specific Plans

After determining farm and family objectives and appraising resources and problems, the various activities and steps necessary to reach the objectives are often obvious. But to carry through to the objectives, a formal plan should be developed. The plan should be flexible, and for some it is unnecessary to have it in writing. Nevertheless, it should outline what is to be done, how it is to be done, and the approximate timing of the various steps. The plan provides a guide for the farmer in acquiring capital, making farm adjustments, repaying debts, and changing operating methods. It is, in fact, a timetable that encourages the orderly completion of the different phases of the farm and family program. Also, it is a reminder to the family of what can be accomplished and of the spending and saving practices that are essential to success.

Fulfillment of different objectives involves varying lengths of time. Buying a freezer, for example, may be accomplished within a year. Shifting from cotton to livestock may take several years; and the accumulation of enough money on which to retire may take 20 years or more. But regardless of the time involved, steps taken to reach the objectives are usually made each year - putting a little money into savings, making an extra payment on the mortgage, acquiring a piece of machinery or household equipment, or a few head of livestock, or making small changes in the cropping system.

In reaching the objectives there should be an overall, or longtime, plan as well as annual, or short-time, plans. The longtime plan is directed toward the major farm and family goals that take a number of years to realize. As conditions and objectives change from time to time, this longtime plan needs to be flexible. Short-time plans should be drawn to cover annual objectives and some phases of longer run goals. Annual planning must be in harmony and coordinated with the overall major plan.

Fundamentals of Financial Management

The type of financial problem that faces farm people varies widely from time to time and among people. Usually, however, the problem is concerned with earning and spending income, obtaining and repaying credit, and saving and investing money. The purpose of the discussion here is not to provide an answer to problems that may arise, but to

outline a few principles that may help readers determine for themselves the best course of action.

Income Management

There are many uses of income or other funds. Money can be spent for capital or labor that will produce more income; it can be saved to be spent in the future; it can be used to repay debts incurred for past expenditures; or it can be spent for a great variety of family and living purposes, many of which are essential or worthwhile but some of which may conflict with progress toward long-run objectives.

The main purpose of income management is to balance income and expenses and still have enough surplus to make progress toward the planned objectives. The first step is to analyze prospects of production and prices in order to get some indication of the amount and timing of income for the year. Next, the amount and timing of family and farm expenditures should be estimated. Then, setting off prospective expenditures against prospective receipts will indicate seasons during the year when a surplus or shortage of funds may prevail. This budget analysis will provide a guide for the handling of income and surplus funds and indicate when supplemental credit may be needed.

If records are kept, it is relatively easy to plan for the usual run of farm and family expenditures. Also, expenditures for major farm and family projects are seldom overlooked as they are usually discussed in advance. Budgeting difficulties are usually encountered because of failure to allow for unexpected contingencies or for expenses that are less obvious or certain.

Depreciation of machinery and equipment is an important charge against income that is often overlooked in financial planning. Mechanization is essential to a profitable and efficient farming business and it involves a large average investment. For example, in 1954 the average investment in machinery and equipment on commercial family-operated dairy farms ranged from $4,900 in the Northeast to $6,500 in eastern Wisconsin. In the Corn Belt and the northern Great Plains, the range for different types of commercial farms was from about $4,000 to more than $9,000. For cotton farms, the range was from $340 in the Delta to $12,400 for the irrigated farms in the High Plains. Thus, with machinery and equipment having an average replacement life of less than 10 years, the annual depreciation is usually heavy. Equipment expenditures may not be necessary each year but the accruing depreciation is an item of expense that should be used in computing net income.

Farmers should also recognize the possibility of crop failure or of a drop in prices. Preparing for potential farm distress is best done in good times. It may take one or more forms - building a reserve of liquid assets, reducing debt, or reinvesting in the business so as to reduce costs or improve efficiency. Other long-run objectives for which farmers may accumulate reserves of money include retirement and the purchase of farmland.

When these reserves are sizable or during seasons of heavy receipts, farmers have considerable money at their disposal. This money could be quickly dissipated if future obligations and long-run objectives were not kept in mind. In avoiding impulsive or thoughtless spending, it is important to recognize that all expenditures or uses of money involve important decisions. Even small day-to-day expenditures become significant in the aggregate.

Careful management of income is most needed by low-income farmers. When income and resources are limited, funds available for the farm business usually should be spent so as to acquire control of the maximum amount of productive capital. This often means investing in livestock, equipment, and other working capital and renting the real estate. Usually it involves the judicious use of credit. On these farms, both good financial and good farm management are essential to the development of the most profitable type of farm organization.

Similarly, the problem of improving the family living when farm income is limited may be partly solved by careful budgeting. As more thought and study are given to family buying it is probable that levels of living can be maintained or improved and that funds will still be available for longer run desirable goals.

Credit Use and Management

Of the 21 important types of family-operated commercial farms for which estimates are available, 10 had an average total investment in 1954 of more than $40,000, 9 ranged from $20,000 to $40,000, and only 2 had an average investment of less than $20,000. For these same types of farms, cash expenditures during 1954 averaged above $8,000 for 4 types, from $4,000 to $8,000 for 11, and less than $4,000 for 6 types of farms. Relatively few farmers, particularly beginning farmers, have capital or funds of their own in these amounts. Use of credit is essential to many farmers if they are to acquire farms of economic size and to operate them efficiently.

American agriculture has used record amounts of credit during the postwar years, and most farmers recognize both the economic value and risk in using it. Some, however, fail to follow sound credit practices. At one extreme are farmers who believe that debt should be avoided at all times and who hesitate to borrow, even to increase their farming profits. At the other extreme are those who use - or who would like to use - credit for unsound or uneconomic purposes, or in amounts in excess of those justified by the risks involved and by their ability to repay.

A basic principle concerning the use of credit is that there be sufficient means to repay it, together with interest, by a specified time. A decision, however, on when and how much credit to use is not always simple because of the difficulty of estimating prospective income and appraising various risks. Analyzing future repayment ability is most difficult when new ventures or expanded or reorganized operations are involved.

Fundamental to the sound use of credit is a thorough knowledge of the farming business. Ordinarily, expenditures or investments that are wise from the viewpoint of farm management are also wise from a credit-management standpoint. Emphasis should also be placed on maintaining an equity position that is consistent with the economic outlook. Use of credit increases the opportunity of profit, but it also increases the risk of loss. It is seldom advisable to borrow to the limit of one's capacity. In event of unforeseen reverses, borrowers should have sufficient resources to justify an extension of time for repayment, and even additional credit, from the creditor.

The use of credit to finance family living and purchases of consumer goods is often necessary and justified. Credit, however, is not a substitute for income; it should be used for such purposes only in anticipation of reasonably certain income.

Adequate sources of credit at reasonable cost and with suitable terms and conditions are essential to the sound use of credit. Convenience, ease, and speed in obtaining loans also are significant considerations. A potential borrower should talk with various lenders in his community and appraise the advantages and disadvantages of each. Usually, however, a farmer should limit his borrowing to 1 or 2 lenders. Not only will this facilitate a coordinated repayment program, but it will establish a record that will be the basis for the best of service from the lenders. When credit is obtained from several lenders, there may be competition for security and collections that will worry the borrower and hinder his operations. Proper care of security, prompt payment, and frank discussion of plans and problems will contribute to harmonious relations between lender and borrower.

Managing Investments

The main outlet for the farmer's surplus money is the farm business, but this often involves the accumulation and holding of funds for several years pending actual expenditures, such as those for machinery, major improvements, or additional land. Reserves against low prices or production losses may also be in the form of cash. Prospective family travel, education, or retirement may involve the establishment of a fund to be held for a longer period.

Money held idle for any great length of time is uneconomic and should be invested. The form of investment should be determined by such factors as size of the fund, its purpose, and the expected date it is to be used. Additional considerations include the value and kind of other resources owned by the farmer, the amount and stability of his income, the amount of insurance carried, and his age and family responsibilities.

When the investment needs have been determined, the various investment opportunities should be investigated. Each should be examined as to its suitability on the following points: (1) Security of principal; (2) amount and stability of return; (3) ease of liquidation; (4) possibilities of capital appreciation; and (5) ease of management.

Ideal conditions on each point cannot be expected in a single investment. When absolute security of principal is desired, the return on the investment is likely to be relatively low. If speculative profits or capital appreciation are wanted, stable income and safety of principal can seldom be guaranteed. Some investments which yield a high return cannot be readily liquidated, and they may cause the investor more than the usual worry and management problems.

United States savings bonds or a savings account in a bank will fulfill the major nonfarm investment needs of most farmers. Although the return they yield is relatively low, it is stable, and the principal is secure and can be quickly liquidated. Either provides means of diversifying and compensating for the less certain income and values of agricultural property in which farmers necessarily have most of their capital. Farm real estate, equipment, and livestock fluctuate in value, are sometimes difficult to market, and seldom provide a stable income year after year.

Life insurance, which should take an important place in any financial program, is primarily for the protection of the family in event of the operator's early death. Operators with young children or heavy debts should obtain adequate insurance protection before they consider other forms of nonfarm investments. Term insurance provides the greatest amount of protection per dollar of premium outlay. For those with funds available for relatively long-term investment, a good outlet is provided in the investment features included in other insurance policies, such as ordinary life, limited payment, or endowment. The safety and return on the savings accumulated under such policies is comparable with United States savings bonds and bank savings deposits.

When the holdings of the more stable investments, such as bonds and deposits, are considered sufficient to meet specified goals and to hedge against possible declines in farm income and values, a farmer may feel that he can risk the type of investment which offers higher returns and potential capital appreciation. Investments of this kind may range from buying a house in town, or an additional farm to rent out, to investing in corporate securities. These more speculative investments should be made only after thorough study of the outlook and consideration of the risks involved. Some may be difficult to liquidate, may fluctuate in value, or may have aspects that cause the investor concern. Farmers who contemplate the use of funds for ventures in which they have had little experience would be wise to seek advice from bankers or investment counselors.

Financial Management Techniques

To be successful in financial management, farmers should establish goals, analyze resources, develop and implement farm and home plans, and understand a few basic principles of income management, credit use, and investment practices. Often, however, the extent of success is related to the use of simple practices and techniques. These constitute the

tools that help the farmer do the job. Many such techniques will need to be devised by farmers themselves but a few suggestions follow.

1. Record keeping. Records are needed of receipts, expenditures, and changes in debts and inventories.

2. Analysis of records. Only by a periodic review of records can financial progress be adequately measured.

3. Written plans. Although not essential for many farmers, steps toward farm and family objectives can best be kept in mind and fulfilled when scheduled in writing.

4. Thorough study. Farming today involves many complex financial choices that require information and study before decisions are made as to farm and family expenditures, insurance, credit, social security, and investments.

5. Family council. Many financial decisions should be made only after family discussion. The family is affected, and its full cooperation and understanding is needed.

6. Professional counsel. Advice on financial matters is as important as it is on farming technology. It may be obtained from bankers, other lenders, insurance and investment counselors, and attorneys.

Private insurers write crop insurance in 1956.- Private insurance companies have announced a proposal to offer, on an experimental basis, multiple-peril crop insurance on growing crops in 1956. The announcement followed a 2-year study of this type of farm coverage by private companies. Under the plan, the perils of drought, excessive moisture, frost, freeze, flood, insect infestation, and plant diseases would be covered. The Federal Crop Insurance Corporation is presently offering, on an experimental basis in selected counties, an "all-risk" insurance program on wheat, cotton, flax, corn, tobacco, dry edible beans, soybeans (harvested for beans), and multiple crops. A multiple-peril (windstorm, freeze, and hail) policy is made available in one Florida county.

SOIL AND WATER CONSERVATION LOANS OF THE FARMERS HOME ADMINISTRATION - A REVIEW OF THE FIRST YEAR'S OPERATIONS 1/

Russell W. Bierman

A new loan program of the Farmers Home Administration is helping farmers to develop and conserve soil and water. Designed for farmers who cannot obtain adequate financing elsewhere on reasonable terms suited to their needs, the program provides loans to finance water development and soil conservation. The program was started in September 1954, and by October 1, 1955, 3,700 loans had been made to individual farmers. In addition, 34 loans had been made to farmers' associations. Individual loans totaled $18,186,000, and $1,422,000 had been loaned to associations.

An Irrigation Loan in Franklin County, North Carolina

To see how the new program operates, let us look at an irrigation loan in Franklin County, N. C. In this county, flue-cured tobacco is the principal crop and chief source of cash income, although cotton is also important on some farms. In 1950, no farm in the county had any irrigated land, but in 1954, 178 farms (including sharecropper units) reported irrigation. Rainfall was more adequate in 1955, but in several earlier years the tobacco crop was severely reduced by drought.

In Louisburg, the county seat, J. A. Hodges, Farmers Home Administration County Supervisor, has a small office off the courthouse square. Here, with the assistance of a clerk he supervises a heavy caseload of about 160 active borrowers. Since the authorization of soil and water conservation loans (SW loans) he has made eight loans for the purchase of sprinkler irrigation systems, the type used in the county. Farm ponds are usually the source of irrigation water. Seven of the eight SW borrowers paid for construction of ponds from their own money while one used part of his SW loan for this purpose.

Mr. Hodges says that the SW loans have gone to farmers with good credit records who were able to give adequate security for their loans. In fact, these SW borrowers could obtain credit elsewhere to install irrigation systems, but it would be on a relatively short-term basis not suited to their needs. No banks in Franklin County have made irrigation loans, but bank officials say they are reasonably certain that if such loans are made in the future, repayment schedules would be for no longer

1/ Acknowledgment is made to Frank Dawson, Chief, and M. Harriet Kelly, Supervisory Analytical Statistician, Statistics Branch, Budget and Statistics Division, Farmers Home Administration, for supplying the statistical data used in this article. The information relating to the irrigation loan in Franklin County, N. C., was obtained through the cooperation of J. A. Hodges, County Supervisor, and the borrower who consented to use of the data concerning his loan.

than 3 years. The Louisburg Production Credit Association makes irrigation loans for a maximum period of 3 years, with a third of the loan to be repaid each year. Credit available from dealers for purchase of irrigation systems usually calls for a downpayment of one-third in the spring or early summer when the equipment is purchased, another third to be paid the next October after the tobacco is sold, and the final third to be paid in October of the next year when a second crop is sold. The maximum term of this credit is thus about 18 months. An irrigation installation usually costs from $3,000 to $4,000 for the pump and equipment. In addition, the farmer has the construction cost of the farm pond. Although many irrigation systems have been sold on the basis of this 18 months type of credit, the repayment period is too short for many farmers unless they have unusually large acreages of tobacco or do considerable custom irrigation. Prudent farmers in average circumstances are reluctant to install irrigation with short-term credit. They realize that if their tobacco crops are poor, they may not be able to make these large payments.

Of the 8 SW loans made in Franklin County, one has a term of 20 years, and one is for a 10-year period. The remaining 6 have terms of 5 to 7 years. Mr. Hodges believes that in his area most farmers who are justified in installing irrigation systems are likely to need at least 5 years to repay the loan and they should be able to repay it in 5 to 7 years.

Operation of the SW loan program is illustrated by the case of a Franklin County farmer who obtained a loan in 1955. This farmer applied on November 3, 1954, for a $3,100 loan with which to buy irrigation equipment. Two ponds were to be constructed with his own funds.

The farmer stated in his application that he owned a 132-acre farm valued at $17,500. (The farm was later appraised by the FHA County Committee at $20,000.) He had a truck worth $1,000, a car valued at $1,500, $2,300 worth of tractors and tractor equipment, and other property worth about $3,000. Consequently, the total value of assets was about $25,300. At the time of filing the application, operating loans for the season had been paid. There was still about $1,400 in other non-real-estate debt and a Federal land-bank loan of $7,150 on the farm. The land-bank loan required an annual payment of $358. Total liabilities were $8,550, and this left a net worth of nearly $17,000.

The chief source of income on the farm in 1954 was the 9.1 acres of tobacco. Total product sales in 1954 were about $9,700 - tobacco sales amounted to $6,825, cotton brought in $1,200, and nearly $1,700 came from small grain. In 1954, 5.0 acres of tobacco were irrigated by a custom irrigator. Gross sales from the irrigated land averaged $350 per acre higher than those from the 4.1 acres not irrigated. Total expenditures for 1954 were estimated as about $10,000. They included $1,500 for living expenses, $4,500 for operating expenses, and $4,000 for payment on land-bank loans, and the purchase of or repayment of debts incurred to purchase a car, truck, and machinery and equipment.

After the application for the loan was made, the Soil Conservation Service planned two ponds for this farm. A permit to withdraw water from a stream and pump it into one of the ponds was issued by the North Carolina Department of Conservation and Development on February 28, 1955. The North Carolina State Board of Health is concerned with farm ponds under its malaria-control program, and, on March 16, 1955, it issued a permit to impound water. The Soil Conservation System also provided a sprinkler design sheet which showed how the sprinkler system should be set up for fields to be irrigated.

The loan application was next reviewed by the FHA County Committee. This is a group which advises the County Supervisor on loans, and at least two members of each county committee must be farmers. On March 25, 1955, the county committee approved the loan. The delay from November 3, 1954, when application was made, to committee approval was caused by the time required to obtain the various permits and plans for the farm ponds.

On April 8, 1955, the loan was approved by the North Carolina State FHA office and allocated as an insured loan to a bank in Charlotte, N. C. This lender provided the funds at the rate of 3.5 percent, with principal and interest payments guaranteed by FHA, and all servicing and collection done by FHA. In addition to the interest, there is an insurance charge of 1 percent annually on the outstanding loan balance.

The loan is secured by a second deed of trust on the farm and a first chattel mortgage on the equipment purchased. Repayment terms call for 6 annual payments of $508.97, beginning January 1, 1956, with the balance payable January 1, 1962. The loan may be repaid more rapidly if the borrower wishes to do so.

The loan was closed on May 12, 1955, and the proceeds of $3,100 were deposited in a bank account held jointly by the farmer and the Farmers Home Administration. Disbursements from this account included $3,014 for irrigation equipment and $60 for attorney's fees in connection with title search and similar items; the balance of $26 was disbursed to the borrower as partial payment for labor and other costs of constructing the ponds. The irrigation system purchased has a 20-horsepower motor, is rated at 314 gallons per minute, and has enough sprinkler equipment to irrigate 1.75 acres at a setting.

Although Franklin County had more rainfall in 1955 than in the previous year, irrigation was still profitable in 1955 for this borrower. In 1955, 9.1 acres of tobacco were irrigated and the average yield was 2,340 pounds per acre. The farmer estimates that this is about 700 pounds per acre above the yield of nonirrigated tobacco on comparable nearby farms. He believes, also, that irrigation improved leaf quality and consequently the price per pound.

Description of the Soil and Water Loan Program

The new soil and water conservation loan program was begun in September 1954. Under it, the Farmers Home Administration is authorized to make both direct and insured loans in all States, territories, and possessions. The loans are made only to farmers who are unable to finance needed soil and water conservation measures from their own funds and who cannot obtain elsewhere adequate credit on reasonable terms suited to their needs. The SW program replaced the old water facilities loan program which was in effect in 17 Western States from 1937 to 1954.

Purposes for Which SW Loans Are Made

Soil and water conservation loans can be made, not only for water development, conservation, and use - as under the water facilities loan program - but for a variety of improvements that are directly related to soil conservation, forestation, drainage, and similar measures.

Farmers may not borrow under the SW program for such costs or outlays as are usually considered annual operating expenses. But if they are interested in irrigation, for example, and cannot obtain needed credit elsewhere, they may borrow to cover the cash costs of ditches, canals, ponds, tanks, pumps, sprinklers, other irrigation equipment, well drilling, and land leveling.

Loans may also be obtained for such soil conservation measures as terraces, waterways and erosion-control structures, sodding, subsoiling, brush removal, pasture improvement, and basic applications of lime and fertilizer. Drainage, tree planting, and fencing are also included. The soil and water conservation practices and improvements to be financed are required to follow the recommendations of the Soil Conservation Service and the Extension Service. However, a formal SCS conservation plan for the applicant's farm is not required.

Eligibility for Loans

Eligibility for SW loans is determined by the FHA county committee. An applicant for a SW loan must be a citizen of the United States and the owner or operator of a farm. This means that both landlords and farm operators are eligible for loans. The applicant must show the county committee that he cannot obtain the credit he needs on reasonable terms from other sources such as local banks, the Federal land bank, or Production Credit Association. Then the applicant must show that there are reasonable prospects of carrying on successful farming operations and repaying the loan. Finally, it must be shown that the farm operator, whether owner or tenant, is engaged primarily in farming.

Farm organizations engaged primarily in extending to their members services directly related to soil conservation, water development, and drainage of farmland are also eligible. Examples of such farmers' organizations are soil conservation districts, irrigation and drainage districts, and grazing associations.

Sources of SW Loan Funds

Funds for SW loans come from two sources. For those made directly by the Farmers Home Administration to the borrower, the funds come from appropriations. Direct loans are made only when funds are not available from other lenders on an insured basis. For the fiscal year ended June 30, 1955, the amount appropriated for both SW and water facilities loans was $11.5 million and the same amount was appropriated for SW loans for the fiscal year ending June 30, 1956.

The Farmers Home Administration is also authorized to insure $25 million of loans made by private and cooperative lenders in the current fiscal year. As in the case of direct loans, all loan-making, servicing, and collecting is done by the Farmers Home Administration. The Farmers Home Administration transmits payments to the lender as they are received. If the borrower defaults on a payment, the Farmers Home Administration pays the lender the amount due. When a loan has a maturity of more than 10 years, the lender may assign it to the Government for cash in the 11th year. SW loans may be secured by real estate or chattel mortgages, or both, but the Government and not the lender is the mortgagee. The lender receives a note bearing the Government's guarantee. Insured loans may be sold, transferred, or assigned by the lender or pledged as collateral.

Terms of Loans

SW borrowers pay 4 1/2 percent interest for direct loans. In the case of insured loans they also pay 4 1/2 percent, but this charge is split - 3 1/2 percent goes to the lender as interest whereas the Farmers Home Administration collects the other 1 percent as an insurance charge. The loan limits are $25,000 for individuals and $250,000 for associations. Loans to individuals may not be amortized over a period longer than 20 years, and most of them are expected to be scheduled for not more than 10 years. In exceptional instances association loans may run up to 40 years. In setting a time limit, repayment is scheduled in the shortest time consistent with the borrower's ability to repay. In no instance may the length of the repayment period be longer than the useful life of the improvement to be financed or the security, whichever is less.

Loan Operations Through June 30, 1955

Water Facilities Program Terminated

The water facilities loan program had been in effect in the 17 Western States from August 1937 to September 1954, when it was terminated and replaced by the SW program. Under the water facilities program, all loans were made directly by the Farmers Home Administration; the maximum to an individual or an association was $100,000; and eligible purposes were limited to development of water facilities such as irrigation and farmstead water.

In the 17 years it operated, loans to nearly 16,000 farmers for about $30 million were made under the water facilities program. In addition, more than $7 million was loaned to 260 associations, and these association loans benefited 11,500 farm families. The program was still active in 1954. From July 1 to September 16 of that year, the Farmers Home Administration made $2,100,000 of individual water facilities loans and $500,000 of association loans. On June 30, 1955, there were outstanding about 5,600 individual water facilities loans amounting to $14,700,000, and $5,800,000 in association loans.

Insured Loans

Since the SW program was started in September 1954, the Farmers Home Administration has emphasized the use of insured loans. This was a policy decision intended to finance the program so far as possible without the use of appropriated funds and to interest nongovernmental lenders in these types of loans.

By June 30, 1955, insured loans to individuals had been made in 46 States and in Hawaii. The total number was 2,916; the amount advanced was $15,171,000; and the average size was about $5,200. Somewhat more loans were made in the Southern States than in other areas - the South Atlantic, East South Central, and West South Central States accounted for 1,749. The largest number of loans, 295, was made in Texas, and Arkansas had almost as many. Relatively few were made in the New England States. The average size showed considerable variation between States; Arizona with an average loan of $10,900 had the largest average for any State, except Massachusetts, where only one loan was made.

Some insured loans were also made to farmers' organizations that are concerned with soil and water conservation and development. Only 14 of these were made. They totaled $298,000, and were made only in Arkansas, Idaho, Colorado, Utah, Wyoming, Nevada, and Washington.

The insured-loan program has been generally accepted by lenders, and the Farmers Home Administration as a rule has financed the program for individuals without making many direct loans. The sole exception to this is Puerto Rico. No lenders were interested in making insured loans in Puerto Rico, and only direct loans could be made there.

Of the approximately $15.5 million of insured soil and water conservation loans, banks loaned about $12.1 million, or 78 percent. Banks were by far the most active participants in the program, with loans in most States in which insured loans were made. Insurance companies accounted for $2.8 million, or 18 percent of the total. About $300,000 was loaned by production credit associations and $250,000 came from various retirement and pension funds (table 1).

Table 1.- Insured soil and water conservation loans to individuals and associations: Amounts loaned by principal types of lenders, by regions, year ended June 30, 1955

Region	Total	Amounts loaned by principal types of lenders				
		Banks	Production credit associations	Insurance companies	Retirement and pension funds	Miscellaneous
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
New England	28	8	0	20	0	0
Middle Atlantic	152	131	0	17	0	4
East North Central	427	267	21	106	25	8
West North Central	2,235	1,736	9	490	0	0
South Atlantic	2,851	2,473	69	280	0	29
East South Central	1,102	992	99	11	0	0
West South Central	5,317	5,099	62	148	0	8
Mountain	2,564	1,117	47	1,174	226	0
Pacific	768	257	0	511	0	0
United States	15,444	12,080	307	2,757	251	49
Possessions 1/	25	25	0	0	0	0
Total	15,469	12,105	307	2,757	251	49

1/ Hawaii only.

Farmers Home Administration.

Direct Soil and Water Loans

The bulk of the SW loans to individuals have been insured loans. Only 207 direct individual loans, mainly in Puerto Rico, were made in the year ending June 30, 1955, and the amount loaned was $437,000. Sixteen direct SW loans were also made to farmers' associations in the total amount of $970,000. These were fairly large loans in the Mountain and Pacific States.

Loans Outstanding June 30, 1955

On June 30, 1955, the Farmers Home Administration had outstanding about 3,100 direct and insured individual SW loans. The principal amounted to $15.3 million, and the average was $5,100 for continental United States - $4,900 if possessions are included. Twenty-nine farmers

associations had SW loans outstanding on the same date; the principal amounted to $1.3 million (tables 2 and 3).

Table 2.- Water facilities and soil and water conservation loans to associations: Number and amount outstanding, by States, June 30, 1955

State	Water facilities loans		Soil and water conservation loans 1/	
	Associations	Principal outstanding	Associations	Principal outstanding
	Number	1,000 dollars	Number	1,000 dollars
Kansas	2	35	0	0
Arkansas	0	0	2	3
Montana	15	377	2	365
Idaho	30	511	5	83
Wyoming	7	166	3	88
Colorado	34	705	4	133
New Mexico	13	302	0	0
Arizona	9	234	1	10
Utah	42	933	3	284
Nevada	8	325	2	100
Washington	60	1,558	4	122
Oregon	15	422	3	81
California	5	220	0	0
United States	240	5,788	29	1,269

1/ Includes both direct and insured loans.

Farmers Home Administration.

On June 30, 1955, there were 5,600 individual borrowers with water facilities loans outstanding. The average balance per borrower was $2,600, and the total outstanding was $14.7 million. On the same date, there were 240 associations with water facilities loans outstanding in total amount of $5.8 million. Except for two Kansas associations, all of these were in the Mountain and Pacific States.

Purposes of Loans

Most of the water facilities and SW loans to individuals are made for the development of irrigation. Data are available on the purposes of about $15.6 million of the $17.7 million of water facilities and SW loans made in the year ending June 30, 1955. About 83 percent of this $15.6 million was to be used for irrigation, and the borrowers expected to irrigate about 217,000 acres. Irrigation loans, therefore, averaged

Table 3.- Water facilities and soil and water conservation loans to individuals: Number of borrowers and amount outstanding, by States, June 30, 1955

State and division	Water facilities loans			Soil and water conservation loans 1/		
	Borrowers	Principal outstanding		Borrowers	Principal outstanding	
		Total	Average 2/		Total	Average 2/
	Number	1,000 dollars	Dollars	Number	1,000 dollars	Dollars
New England	---	---	---	5	28	5,500
New York	2	4	1,900	17	57	3,400
New Jersey	---	---	---	17	76	4,500
Pennsylvania	---	---	---	11	19	1,700
Middle Atlantic	2	4	1,900	45	152	3,400
Ohio	---	---	---	11	48	4,400
Indiana	---	---	---	20	67	3,300
Illinois	---	---	---	31	87	2,800
Michigan	---	---	---	40	181	4,500
Wisconsin	---	---	---	26	42	1,600
East North Central	---	---	---	128	425	3,300
Minnesota	---	---	---	5	12	2,400
Iowa	---	---	---	34	101	3,000
Missouri	39	48	1,200	121	333	2,800
North Dakota	159	200	1,300	11	15	1,400
South Dakota	96	262	2,700	7	22	3,100
Nebraska	261	1,231	4,700	112	678	6,000
Kansas	177	736	4,200	136	1,058	7,800
West North Central	732	2,477	3,400	426	2,219	5,200
Delaware	---	---	---	2	9	4,600
Maryland	---	---	---	11	57	5,200
Virginia	---	---	---	20	108	5,400
West Virginia	---	---	---	19	30	1,600
North Carolina	---	---	---	173	605	3,500
South Carolina	---	---	---	169	609	3,600
Georgia	---	---	---	165	700	4,300
Florida	---	---	---	102	624	6,100
South Atlantic	---	---	---	662	2,742	4,300
Kentucky	---	---	---	14	33	2,400
Tennessee	---	---	---	34	97	2,800
Alabama	---	---	---	43	179	4,200
Mississippi	---	---	---	149	778	5,200
East South Central	---	---	---	240	1,087	4,500
Arkansas	3	2	800	285	1,263	4,400
Louisiana	---	---	---	54	289	5,400
Oklahoma	651	1,305	2,000	204	1,351	6,600
Texas	728	1,340	1,800	297	2,233	7,500
West South Central	1,382	2,647	1,900	840	5,136	6,100
Montana	419	969	2,300	26	102	3,900
Idaho	492	907	2,000	58	298	5,100
Wyoming	230	371	1,600	17	79	4,700
Colorado	289	982	3,400	58	240	4,100
New Mexico	248	816	3,300	137	876	6,400
Arizona	203	1,299	6,400	51	556	10,900
Utah	343	795	2,200	38	109	2,900
Nevada	27	70	2,600	9	49	5,400
Mountain	2,271	6,269	2,800	394	2,309	5,900
Washington	537	1,264	2,400	28	126	4,500
Oregon	310	652	2,100	41	111	2,700
California	401	1,396	3,500	99	446	4,500
Pacific	1,248	3,312	2,700	168	683	4,100
United States	5,635	14,709	2,600	2,908	14,881	5,100
Hawaii	---	---	---	1	25	25,000
Puerto Rico	---	---	---	198	404	2,000
Virgin Islands	---	---	---	1	1	1,000
Total	5,635	14,709	2,600	3,108	15,311	4,900

1/ Includes both direct and insured loans.
2/ Computed from unrounded data and rounded to $100's after computation.

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about $60 per acre of land to be irrigated, but the total cost per acre would be higher because loans usually would not cover the full cost (table 4).

Formerly, irrigation was important only in arid and semiarid States where the annual rainfall was insufficient to produce a crop. In recent years, however, farmers in Eastern States have become interested in supplemental irrigation, which is usually done by sprinklers without the field preparation that is needed when irrigation water is applied by flooding or by furrows and ditches. Even though total annual rainfall in the Eastern States is higher than in the West, short periods of drought in summer can seriously reduce the yield and quality of crops. A relatively small amount of sprinkler irrigation at these times can bring about a significant increase in production.

The second most important purpose reported was soil conservation. Nine percent of the $15.6 million was for this purpose. A third purpose was the development of farmstead water for household, livestock, garden, and similar uses, which accounted for 6 percent of the amount loaned and reported by purpose. Finally, 2 percent of the money loaned was to be used for drainage. About 13,000 acres were to be drained, and the amount borrowed per acre drained was $26. In addition to the acreage to be irrigated or drained, about 29,000 acres of pasture were to be improved through the use of SW loans to individuals in the year ending June 30, 1955.

Evaluation and Conclusions

Much of the demand for extension of the Water Facilities Act to the entire country resulted from the rapid growth in irrigation in the 31 eastern "humid" States. In the arid and semiarid areas of the 17 Western States, irrigation has long been recognized as necessary for crop production. But in the Eastern States, the value of supplemental irrigation has been widely recognized only in fairly recent years. In 1940, only 16,500 farms in the 31 Eastern States reported irrigation, and land irrigated the previous year totaled 739,000 acres. There were 23,600 farms with irrigation in these States in 1950, and 1,517,000 acres were irrigated the previous year. The 1954 Census reports are not yet complete, but in 26 of the 31 Eastern States the number of irrigated farms in 1954 was 104 percent higher than in 1950 and acres irrigated had increased 95 percent since 1949.

As farmers in the 31 Eastern States became interested in irrigation, they faced much the same problems in financing irrigation installations as had farmers in the 17 Western States. The conventional sources of credit were generally adequate to serve the needs of farmers who needed credit for periods of 1 or 2 years. But farmers who needed credit for periods of, say, 5 or more years were likely to run into difficulties. As the Under Secretary of Agriculture has said in this connection, "There presently is a gap in available credit facilities both as to purpose and length of term of loans to effectively meet the needs of many farmers in this field." This gap in the intermediate credit field may be due to

Table 4.- Reported purposes of water facilities and soil and water conservation loans to individuals and improvements to be made, by States, year ended June 30, 1955 1/

State and division	Total amount of loans reported	Amount of loans, by purpose				Improvements to be made		
		Farmstead water 2/	Irrigation	Drainage	Soil conservation	Pastureland to be improved	Land to be irrigated	Land to be drained
	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.	Acres	Acres	Acres
New England	28	1	10	3	14	21	80	13
New York	61	1	44	9	7	75	972	270
New Jersey	76	1	75	0	0	0	1,266	0
Pennsylvania	21	7	0	1	13	126	0	10
Middle Atlantic	158	9	117	10	20	201	2,238	240
Ohio	53	1	26	8	18	133	659	135
Indiana	65	1	37	13	14	176	922	273
Illinois	90	8	19	1	62	689	325	3/
Michigan	176	4	97	74	5	250	739	1,103
Wisconsin	49	0	0	16	33	231	0	120
East North Central	433	16	179	106	132	1,478	2,695	1,641
Minnesota	15	0	3	12	0	22	32	104
Iowa	100	6	0	61	33	242	0	674
Missouri	389	158	154	1	76	369	2,718	30
North Dakota	26	13	10	0	3	715	250	0
South Dakota	126	76	48	0	2	426	683	0
Nebraska	875	2	652	0	21	622	10,729	0
Kansas	1,225	18	1,174	3	30	885	17,671	177
West North Central	2,556	273	2,041	77	165	3,481	32,088	735
Delaware	9	0	9	0	0	0	190	0
Maryland	57	1	53	0	3	73	618	0
Virginia	136	9	127	0	0	82	1,064	0
West Virginia	30	3	9	1	17	252	115	49
North Carolina	579	8	516	15	40	122	3,546	659
South Carolina	590	16	552	1	21	438	4,445	32
Georgia	704	119	556	0	29	839	4,433	0
Florida	658	0	588	42	28	692	4,695	9,680
South Atlantic	2,763	156	2,410	59	138	2,498	15,796	10,420
Kentucky	32	5	9	1	17	339	150	25
Tennessee	114	10	79	3	22	390	718	100
Alabama	176	6	100	2	0	616	1,725	72
Mississippi	796	40	730	0	26	975	15,652	0
East South Central	1,118	61	978	6	73	2,320	18,245	197
Arkansas	1,224	18	1,189	2	15	463	35,543	380
Louisiana	301	0	277	5	19	330	3,655	456
Oklahoma	1,430	32	1,331	1	66	1,947	12,427	170
Texas	1,891	49	1,762	0	80	5,603	29,341	0
West South Central	4,846	99	4,559	8	180	8,343	81,966	1,006
Montana	211	21	186	1	3	340	5,352	60
Idaho	309	36	269	1	3	240	5,128	15
Wyoming	94	3	88	0	3	0	3,597	0
Colorado	239	4	214	0	21	981	1,926	0
New Mexico	916	14	746	0	156	345	18,487	0
Arizona	509	4	262	0	243	0	5,022	0
Utah	196	6	185	0	5	130	3,321	0
Nevada	52	0	47	5	0	123	1,416	192
Mountain	2,526	88	1,997	7	434	2,069	56,679	382
Washington	117	2	108	0	7	143	1,145	0
Oregon	122	9	100	2	11	140	1,129	25
California	441	8	393	8	32	1,662	16,076	160
Pacific	680	19	601	10	50	1,905	18,349	185
United States	15,108	722	12,894	286	1,206	22,906	256,836	11,972
Hawaii	25	0	0	0	25	369	0	0
Puerto Rico	442	122	61	45	214	5,408	539	705
Virgin Islands	6	6	0	0	0	0	0	0
Total	15,581	850	12,955	331	1,445	28,683	256,825	12,677

1/ This table shows amount of loans by purpose and specified improvements to be made for 80 percent of the total of $17,737,000 loaned in the year ended June 30, 1955. The proportion of the amount loaned for which purposes and improvements are shown varies by States.

2/ "Farmstead water" includes water for household, livestock, garden, and similar uses.

3/ Not reported.

4/ Less than $500.

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several causes. One is that local credit sources, such as banks and dealers, may not have sufficient resources to permit the granting of credit for periods longer than 1 or 2 years. A second, and perhaps more important reason, is that, in many instances, local lenders have had little or no experience with conservation and irrigation loans and may be uncertain as to the soundness of the purposes of such loans or as to the procedure for servicing them. Consequently, they may tend to discourage prospective borrowers, to insist on relatively short maturities, or to ask for relatively high security.

Under the SW loan program, an effort was made to have the program financed through insured loans from nongovernmental lenders, such as banks and insurance companies. The major reason for this was that insured loans do not require an outlay of Government money, although a contingent liability is assumed by the Federal Government. This attempt to finance the program largely with insured loans was successful, as about 92 percent of the total amount of SW loans made in the year ended June 30, 1955, was in the form of insured loans. Direct loans have been used only in areas where lenders did not want to place insured loans.

There are several possible reasons for lender participation in the insured loan program. The major reasons appear to be that: (1) The loans are safe with payment of interest and principal guaranteed; and (2) the interest rate of 3.5 percent compares favorably with yields on alternative investments, and this rate has been, practically speaking, a net return because all expense of making, servicing, and collecting the loans is borne by the Farmers Home Administration. In addition, these loans are not subject to the usual security and maturity limitations on real estate loans that apply to national banks.

The insured SW loans have an advantage, in addition to the fact that they do not require a direct outlay of Government funds. As the program progresses and success in making, servicing, and collecting these loans is demonstrated, it is hoped that conventional sources of credit will become interested in making these loans without Government guarantee. The most pressing need at present is for adequate local sources of intermediate-term credit. So far, the smaller local banks, whose officers are in direct contact with farmers, have shown little interest in insured SW loans. The bulk of the money has come from the larger metropolitan banks, insurance companies, and other nonlocal sources.

The SW program itself appears to be well adapted to farmers' needs. Interest rates on SW loans are reasonable, and many borrowers probably would be willing to pay private lenders more if they could obtain the length of term they need. Complete data on the security required for the loans are not yet available, but the practice appears to be to take a chattel mortgage on all equipment purchased, a junior mortgage on all farm real estate, and additional security if these are not considered sufficient. First mortgages on real estate would not ordinarily be taken because a farmer able to give a first mortgage could probably borrow on reasonable terms elsewhere. SW loans, consequently,

appear to be fairly well-secured, although possibly not as well-secured as loans from conventional sources would be if they were available.

In making SW loans, the county FHA supervisors and county committees are expected to insure soundness by a thorough review of the purposes of the loan and of its probable effect on the borrower's income. The farmer is asked to obtain needed technical advice before the loan is made. Loans are made only for purposes approved for that area by the Soil Conservation Service and the Extension Service.

In a broader sense, two questions might be asked: (1) What is the extent of the need for credit of the type represented by SW loans? (2) Is the SW program large enough to do the job? No attempt is made here to answer these questions. They would require major research projects in themselves. There is no doubt, however, that farmers are doing more soil and water conservation and development, and that they would like more credit with which to finance such work than they are able to get from conventional sources on terms they consider adequate and reasonable. The soil and water conservation loan program was authorized as an answer to these demands. The program at present appears to be small. Whether in future years this program will be continued, or enlarged or curtailed, depends chiefly on the demand from farmers for this type of credit and the extent to which it is supplied by nongovernmental sources.

Increased financial responsibility required of motorists.- Legislatures in 7 States have increased the financial responsibility requirements which apply in order for motorists to retain their driving licenses following involvement in serious traffic accidents. The customary 5/10/1 limits were moved up to 10/20/5 in Delaware, Illinois, Maine, Michigan, and New Hampshire. In Virginia, the limits were increased to 10/20/1, and, in North Carolina to 5/10/5. The first two numbers in each case apply to bodily injury, and the third, to property damage. For example, 10/20/5 means that $10,000 of insurance applies when one person is injured, $20,000 when more than one person is injured, and $5,000 for property damage resulting from a traffic accident. The effective dates for the new laws were: July 1955, in Delaware, North Carolina, and Virginia; August 1955, in Maine; October 1955, in Michigan and New Hampshire; and January 1956, in Illinois.

CANADIAN PRAIRIE FARM ASSISTANCE ACT

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The Prairie Farm Assistance Act was enacted to provide assistance to farmers whose crops have failed. Although it has features of crop insurance, it is more a type of assistance - as the name implies. Payments to farmers under the act are not large enough to insure against all losses or to cover all operating or living expenses in the event of a crop failure. They are intended only to assist in dealing with a relief problem which the provinces and the municipalities could not handle alone, and to enable farmers to put in a crop the following year.

The Program began in 1939 and, up to September 1955, $178.9 million had been paid to farmers under the act. Annual payments ranged from a low of $1.6 million in 1951 to a high of $32.7 million in 1954. As a sufficiently large area did not suffer a crop failure in 1942, no payments were made in that year. To help finance the program, a uniform levy of 1 percent is made on all sales of grain. Collections from 1939 to August 1955 amounted to $88.8 million. Since its inception, a total of more than 800,000 awards have been paid under the act.

The provisions of the Prairie Farm Assistance Act apply to the Prairie Provinces of Manitoba, Saskatchewan, and Alberta, and to the Peace River Block in northeastern British Columbia. The agriculturally settled area of the prairie provinces forms a part of the physiographic unit known as the Interior Continental Plain or Great Plains region. The region to which the act applies can be divided into two general areas: (1) The open, treeless plains or prairie area; and (2) the park area, originally characterized by varying degrees of tree cover - from isolated groves to solid forest. Although the difference in average annual precipitation between the two areas is small, higher temperatures and warm dry winds in the prairie area make moisture a more limiting factor in crop production than in the park area. Agriculture in the prairie area consists mainly of wheat production and some ranching. In the park area, grass and coarse grains also grow well with the result that a grain-livestock type of farming prevails. Crop yields in the prairie area are generally lower and much more variable than in the park area.

Agriculture in the prairie provinces and particularly in the prairie area is characterized by variable crop yields. It is similar in this respect to that of the neighboring States of North Dakota and Montana. This variability is due chiefly to drought, although insects, rust, hail, frost, and unfavorable harvesting conditions also have taken their toll.

How the Prairie Farm Assistance Act Operates

Eligibility for Payment

The average yield of wheat in a township[1] or block[2] is the basis on which payments are made. If the average yield in a township 8 bushels per acre or less, then all farmers within that area receive payments, irrespective of their individual yields. The smallest isolated block eligible for payment is one-half of a township (18 section A rectangular block as small as 6 sections within an ineligible townsh is eligible for payment if it lies along the boundary of an eligible township and has a yield of 8 bushels per acre or less. On the other hand, a rectangular block as small as 6 sections, within an eligible township, is ineligible for payment, if it lies along the boundary of an ineligible township and if it has an average yield of more than 10 bushels per acre. Thus, in many instances, it is the average yield of wheat in 6-section blocks that determines eligibility for payment.

Categories of Payments

There are at present two categories of payments.

1. If the average yield of wheat in the township or block is more than 4 and not more than 8 bushels per acre, the payment is $1.50 per acre on half the total cultivated land[3] of the farmer.

2. If the average yield of wheat is not more than 4 bushels per acre, the payment is $2.50 per acre on half the total cultivated land of the farmer. In the 0- to 4-bushel category the minimum payment is $200, but a farm must have at least 25 acres under cultivation or in the development stage in order to qualify for this minimum payment.

Restrictions on Payments

The maximum payment to farmers in the 0- to 4-bushel category is $500; and to farmers in the 4- to 8-bushel category, it is $300. Thus, the maximum payment is reached when the cultivated acreage amounts to 400 acres. Certain lands, such as experimental farms, market gardens, farms used for ranching, and farms declared submarginal and ordered evacuated under provisions of provincial statutes, are excluded under the act. Payments are made only to farmers or to those whose primary occupation is farming. When no wheat is grown in a township, the yield of rye, oats, or barley, whichever predominates, is used as the basis for determining the eligibility of the township.

1/ A township is an area 6 miles square. It consists of 36 sections each containing 640 acres.

2/ A "block" in this article refers to an area of 6 or more sections.

3/ "Cultivated land" is defined in the act as "land that in the year of award was seeded to crop or in summerfallow and includes land seeded to grass in any year if the productivity thereof was maintained in the year of award."

Payments under the act are exempt from the operation of any law relating to bankruptcy, insolvency, garnishment, or attachment, and they are not assignable either at law or in equity. Farmers are thus assured of minimum amounts of money to meet their most pressing expenses in a year of crop failure.

How the Program is Financed

Farmers contribute to the program 1 percent of their sales of wheat, oats, barley, and rye. All farmers are included in the program. This money is placed in the Prairie Farm Emergency Fund, and is used to pay those farmers who experience crop failure. Additional funds required for payments are advanced from the Federal Treasury. The act provides that these advances shall be repayable out of the fund, without interest. Money with which to pay all administrative expenses incurred under the act is provided by the Federal Government. These expenses average less than $2 per farm annually.

Some Economic Considerations of the Program

Some aspects of the program are of general interest. Among these are: Incidence of costs and benefits, effect on income stability, effect on use of resources, and effects of eligibility requirements.

Incidence of Costs and Benefits

Up to September 1955, payments to farmers amounted to $178.9 million. Receipts from the 1 percent levy on sales of grain up to August 1955 amounted to $88.8 million, or a levy-payment ratio of 50 percent. However, payments in 1954-55 were the highest of any year of the program. Also, in August much of the crop had not yet been marketed, and, therefore, the levy had not yet been collected. A better basis for calculating the levy-payment ratio would be to exclude the 1954-55 crop-year. This puts the levy-payment ratio at 57 percent. During this period, farmers themselves contributed, under the 1-percent levy, more than half the payments received by them. In addition, they contributed their share of the funds provided from the Central Treasury.

Among farmers, there was wide variation in the levy-payment ratio. Up to August 1955, Manitoba farmers had contributed $13.6 million to the fund and had received $9.0 million in payments - a levy-payment ratio of 151 percent. Saskatchewan contributed $49.7 million and received $126.9 million for a levy-payment ratio of 39 percent; and Alberta contributed $25.4 million and received $42.7 million, a levy-payment ratio of 59 percent.

Within provinces and between smaller areas, levy-payment ratios vary even more. Some areas received payments in most years. Others have never received payments, and some areas have received payments only once or twice.

If the program were to be developed toward insurance objectives, adjustment of levies or payments according to risks involved would be necessary.

Income Stability

The extent to which payments stabilize farmers' incomes depends on several factors. Among these is the general price level. Payments under the act bear no relation to the level of prices. In the early years of operation, when prices were very low, payments were a substantial aid in assisting farmers to meet their expenses. Since then, prices have risen. Consequently, the indemnity payments now meet a smaller proportion of farm and living expenses.

The yield of wheat, and therefore the category and amount of payment, also affects the degree of income stability provided by these payments. With a yield of 2 bushels per acre, payments to most farmers are 40 to 60 percent of their cash farm expenses. With a yield of 6 bushels per acre, payments range from 20 to 30 percent of such expenses. With a 2-bushel yield, payments usually range from a third to half of normal cash living expenses; but with a 6-bushel yield they amount only to 15 to 35 percent of such expenses. Therefore, payments are not large enough to compensate the farmer fully for the loss of his crop.

Establishment of the levy as a percentage of grain sales means that in years when yields and prices are high, the levy rises accordingly. When yields and prices are low, the amount paid under the levy is also low. Thus, the amount of the levy is automatically adjusted in the direction of ability to pay. In a year of crop failure there is little or no levy. The levy is therefore less burdensome in such a year than it would be if it were a uniform amount irrespective of the size and value of the crop produced. Actuarially, and in terms of purchasing power, the program is more favorable to farmers in periods when prices are low (lower levies and higher payments) than in periods when prices are high.

Effect on Use of Resources

The levy is small enough so that its existence will not appreciably affect the use of resources. Although the levy is collected on sales of grain and not on grain fed to livestock on the farm or on neighboring farms, it is small enough so that it does not divert grain into livestock. Similarly, although the levy is collected on sales of wheat, oats, barley, and rye, it is small enough so that it does not significantly divert land into other uses.

Any effect on the use of resources, therefore, results from the payments. Payments are made on a per acre basis. These have an advantage over payments on a per bushel basis in that they provide payments to farmers who have no crop and that they do not divert land from one crop to another. There is some incentive for farmers who have less than 400 acres of cultivated land to increase their cultivated acreage to that

amount because it is the maximum on which payments are made. Such extensions of cultivation would be likely to occur on the poorer land as the better land would have been brought into cultivation first.

Receipt of payments under the act may tend to maintain production on very poor land in some areas that are clearly not suited to grain but which receive payments in most years. In periods of low prices, the payments meet a larger proportion of living and farm expenses. This may be a desirable feature from one standpoint as alternative employment opportunities for farmers are limited in such periods. In periods of high prices, alternative opportunities for employment are usually better and the fact that payments meet a much smaller proportion of expenses may allow farming adjustments to be made more freely. Provision has been made in the act to exclude some submarginal land from receiving payments, but not all such land is excluded.

The use of resources may be affected in another way. Greater stability of farm income induces farmers to maximize income as a goal in their production plans. When extreme instability exists, the primary goal usually becomes one of averting risk and incorporating safety measures. Maintenance of small inefficient herds and flocks, maintenance of assets in a more liquid form, and substitution of family and operator's labor for capital are measures commonly taken to reduce risk; but often these measures do not permit maximum income to be realized. Restriction of loans by potential lenders is also common in areas of extreme instability. In providing a greater degree of stability, the Prairie Farm Assistance Act improves resource allocation from the standpoint of efficiency in these respects; but because of the limited size of the payments the improvement is not great.

Effects of Eligibility Requirements

The use of township or block yields to determine eligibility for payment has both advantages and disadvantages. One advantage is that it facilitates administration. Another is that it provides an automatic screening process. If payments were made on an individual basis, it might be necessary to exclude individuals who had poorer records of yields than their neighbors. In the United States, under Federal Crop Insurance, eligibility for payments is determined on the basis of individual farms. It has been found necessary, however, to screen applicants. Those who involve unusually high risks are not permitted to participate in the program.

With eligibility for payments based on area yields, as in Canada, there is some automatic screening. An individual who has low yields because of poor cropping practices, rather than because of unfavorable weather or other conditions, does not receive payment. His yield may be only 4 bushels per acre, but if the township or block average is high no one receives a payment. On the other hand, a farmer is not penalized for using good cropping practices which result in yields above the eligibility limit. An unusually competent farmer may have a yield of 15

or 20 bushels, because of superior practices, when the yield for the township or block may average only 5 bushels. As the area is eligible, all farmers receive payment and there is no penalty against the superior farmer for better farming practices. He also receives a payment.

The main disadvantage of the loss-adjustment procedure is that there are times when, because of circumstances beyond their control, individual farmers have crop failures and yet do not receive payments. The average yield for a township or block may be so high that all farmers in the area are ineligible for payments, even though some of them have crop failures that are due to causes beyond their control. In such instances, which are comparatively few, the farmers must depend on their municipality for assistance. The more local losses from hail account for most of these instances, and hail insurance is usually available on a voluntary basis under a different program. The area system of determining eligibility operates effectively for the other main crop hazards.

Summary

In summary, the Prairie Farm Assistance Act Program replaced in large measure the undesirable system of direct relief which prevailed before it came into existence. Farmers themselves have contributed a large proportion of the funds required to carry out the program. Although the amount of assistance under it is limited, the program has provided a measure of security to many farmers who are unable to afford complete crop insurance coverage, and to a great extent it has relieved the provinces and the municipalities of the heavy burden of relief in years of crop failure.

Classifying farm labor for social security.- The Social Security Administration has defined farm labor with respect to the old-age and survivor insurance program as follows:

. . . "services performed on a farm in connection with the raising and harvesting of products and the raising, etc., of livestock, poultry, bees, fur-bearing animals and wildlife; services in the care of the employer's farm and equipment if performed for the most part on a farm; services performed in handling, processing, or packaging agricultural commodities produced in major part by the employer; services in connection with cotton ginning; and domestic service in or about the household of the employer if performed on a farm operated for profit."

A PROCEDURE FOR ESTIMATING STATE GENERAL SALES TAXES PAID BY THE FARM POPULATION

Ronald Bird

General sales taxes are of fairly recent origin in the United States. During the depression years of the early 1930's, State governments became hard pressed for additional sources of revenue and the general sales tax was adopted as one of the devices to meet this need. Between 1930 and 1940, 30 State governments enacted general sales taxes but 9 of them either repealed them or permitted them to expire during the period. Since 1940, 10 States have either reimposed or initially levied this type of tax. It is significant that these additions were made during the relatively prosperous 1940's and 1950's, even though general sales-tax levies had long been regarded as an expedient for obtaining revenue in times of depression. The recent extension of State sales taxes indicates their wide acceptance in the tax family.

Farmer groups usually have opposed proposals for a Federal sales tax,1/ but farm leaders in some States have given considerable support to State levies of this type. Some writers attribute this support to the desire of farmers to obtain some relief from the ever-present property tax.2/

The increase in the amount of revenue collected from State general sales taxes has been phenomenal. The Bureau of the Census reports that in the fiscal year 1932, about $1.5 million were collected, whereas in the fiscal year 1953, more than $2,400 million were obtained from general sales and gross receipts taxes. The rapid rise in the amount of sales taxes collected is directly related to the number of States that have imposed the tax. In 1932, only 2 States imposed sales taxes, but 20 years later the number had grown to 32.3/

The general applicability of sales taxes and their relative importance in the finances of various States have made them a topic of wide interest. Many studies have been made of their incidence, and especially of the proportionate amounts paid by various groups of citizens. The estimates of the proportion paid by or collected from the farm population generally have been speculative.

The main purpose of this report is to explain a procedure for estimating the amounts of general sales taxes paid to the various States by the farm population.

1/ U. S. Congress, House Committee on Ways and Means. Hearings . . . Revenue Revision of 1943, U. S. Cong. 78th, 1st sess., pp. 1099-1100.

2/ Haig, Robert Murray and Shoup, Carl "The Sales Tax in the American States," Columbia University Press, New York, 1934, p. 20.

3/ This includes Indiana, where a gross income tax is levied. In this study, Indiana is excluded but it is included in census data.

Methodology

Defining the Tax

Various definitions of a sales tax have been used. For purposes of this study, only those taxes that are imposed directly on sales of tangible personal property at retail are included.4/ This type of impost is designed to be passed on to the consumer; therefore, only sales taxes that are paid by farmers as consumers are considered. Also, excise taxes applicable to selected commodities such as gasoline, liquor, or cigarettes are omitted from the estimates.

Defining the Population

For this study, the definition of the farm population is the same as that used in the Census of Population for 1950. It includes all individuals who consider their residences as farms. Midyear estimates of this population were made in order to approximate the annual population per year.5/

Sources of Data

Data on State sales-tax collections can usually be found in one or more reports of State governments, taxpayers' associations, and the Bureau of the Census. Some reports show rather detailed data while others list only totals. The basic problem of estimating the taxes paid by farm people was to devise a method for determining the farmer's proportion of these sales-tax collections in each State and in the country as a whole. The following procedure was used in preparing the estimates.

Estimates for States Having County Data

"County Method".- Collections in the most rural third of the counties6/ in each State were divided by the total populations (as of July 1)

4/ Services are generally excluded.

5/ The Agricultural Marketing Service estimates the farm population of each State as of April 1. To obtain a midyear estimate, one-fourth of the change in rural population during the year was assumed to occur from April 1 to July 1. Estimates of the total population in each State on July 1 are made by the Bureau of the Census. Estimates of county population for censal years are available from the Bureau of the Census but estimates for intercensal years must be computed. To do this, it was assumed that the annual change in the total population in the most rural third of the counties was similar to the annual change in the farm population in the entire State. For example, if a fourth of the change in the farm population between the 10-year censal periods occurred in one year, it was assumed that a fourth of the change in population in the most rural third of the counties between censal years occurred in the same year.

6/ These counties had the largest proportion of rural farm population to total population as shown in 1950 Census data.

of these counties to obtain per capita collections. These in turn were multiplied by the farm population (as of July 1) in the State to obtain estimated taxes paid by the State's farm population.

This method involves the assumption that the per capita money income of the population in the selected counties is about the same as that for the entire farm population in the State. A further assumption is made that the farm and nonfarm populations spend an equal proportion of their money income in the counties in which they reside and an equal proportion on taxable goods.

To test the validity of these premises, estimates were prepared for the year 1949. This particular year was selected because the Census of Population for 1950 provided estimates of the distribution by size of net money income for the rural farm and the total population in each State. The median income of all families and unrelated individuals for each of these groups was shown. Also, the median income of all families and unrelated individuals in each county was listed, but for county data there was no separation of the farm and nonfarm groups.

In 1949, sales-tax data were available by counties for 21 of the 27 sales-tax States. A review of census of population data indicates that the median money income of families and unrelated individuals in the selected counties in each of the 21 States was approximately the same as that for the rural farm population of the State.

It still was not known whether the per capita tax collections in the selected counties would be the same as the per capita taxes paid by the farm population. However, if people spend most of their income in the county in which they reside and if sales-tax payments vary in proportion to income, then per capita tax collections in the State multiplied by the ratio of the per capita income of farmers to the per capita income of the total population should give results similar to those obtained from county data.

"Income" (alternate) Method.- To test these premises, a ratio of per capita farm income to per capita total income in each State was derived for the year 1949.7/ The per capita retail sales-tax collections for each State were multiplied by this ratio to determine the assumed per capita tax collected from the farm population in each State. This amount was then multiplied by the farm population (as of July 1) to obtain the total tax. Thus alternate estimates were obtained for each of the States having county data.

Comparison of Results of the Two Methods.- For 11 of 21 States in 1949, per capita tax collections as estimated from county data (county method) were within 5 percent of those estimated from the State per

7/ The 1950 United States Census of Population, Vol. II, provided income statistics by States for the year 1949. The method used to derive these ratios is described on pp. 34-36.

capita collections after adjustment for income differences between the farm and the total population (income method). Greater differences were found in some other States. The maximum difference found was 28 percent. Per capita tax collections for the farm population, as derived from all the county data (493 counties in 21 States), however, were only 6.5 percent greater than per capita collections estimated by State income ratios. If per capita collections in the States had not been adjusted to show income differences for the farm and nonfarm populations, per capita collections would have been 60 percent greater than those indicated by county data.

It was concluded, therefore, that the estimates derived by using per capita tax collections in the rural counties could reasonably reflect taxes collected from the farm population. This method was used for most States.

Deriving Estimates for States Not Having County Data

A major problem encountered in using county data was that in some States (6 of 27 in 1949), no data were available on sales-tax collections by counties. A substitute procedure, therefore, had to be developed for these States. As per capita tax collections in the various States, when adjusted to reflect differences between farm and total income in each State for 1949 (income method), gave about the same estimates as those based on county data, the income method was used to derive the initial estimates for these 6 States.

These estimates, however, were further adjusted. For example, in 1949, two estimates were available for each of 21 States having county data. The totals for these two estimates differed. The total derived by the "county method" was 6.5 percent higher than the total derived by the "income method." It was assumed, therefore, that the results in each of the 6 States for which the income method only could be used should be raised by 6.5 percent.

A similar procedure was repeated for the other years - with a different percentage obtained for each year. This percentage was applied to each State estimate derived by the income method.

Estimated Sales Taxes Paid by Farmers

In table 1 are shown the total retail sales taxes collected by State governments and the amounts estimated to have been collected from the farm population in the United States from 1932 through 1953. In 1932, when only 2 States levied retail sales taxes, it is estimated that farmers paid about $0.4 million. In 1953, retail sales taxes were levied by 31 States, and it is estimated that farmers paid $206.7 million in such taxes.

During this 22-year period, the proportion of the total collections obtained from farmers fluctuated. These fluctuations reflect the

Table 1.- Estimated State retail sales taxes collected from farm population and total population in United States, 1932-53

Calendar year	Collections		Ratio of collections from farm population to total population
	From farm population 1/	From total population	
	Million dollars	Million dollars	Percent
1932	.4	7.3	5.48
1933	5.8	81.1	7.15
1934	17.7	179.4	9.87
1935	34.0	295.9	11.49
1936	41.0	356.2	11.51
1937	44.1	396.3	11.13
1938	44.8	392.4	11.42
1939	47.3	424.0	11.16
1940	51.7	481.1	10.75
1941	56.4	548.9	10.28
1942	56.5	575.3	9.82
1943	59.5	610.7	9.74
1944	66.3	666.5	9.95
1945	78.4	761.1	10.30
1946	103.4	985.5	10.49
1947	132.5	1,237.7	10.71
1948	151.5	1,409.2	10.75
1949	157.4	1,483.9	10.61
1950	167.0	1,678.2	9.95
1951	192.6	1,917.8	10.04
1952	207.4	2,116.0	9.80
1953	206.7	2,248.9	9.19

1/ Estimates derived by assuming per capita tax collections in the most rural third of the counties in each State are representative of the per capita collections from the total farm population in the State.

influence of several factors. One is the number of States that collect the tax. Another is the proportion of the total population living on farms in each sales-tax State. A third is the proportion of total income in each State that is received by the farm population. Other factors, such as the saving habits of the farm population and exemptions specified in the sales-tax statutes, also cause the ratio to vary from year to year. In any particular year, one or more of these factors may be dominant.

From 1932, when only 2 States had sales taxes, to 1935 when 23 States levied such taxes, the proportion of total retail sales taxes paid

by the farm population increased from 5.48 to 11.49 percent. This increase was due partly to the predominance of rural people in the added sales-tax States.

The number of States collecting sales taxes remained fairly constant from 1935 to 1947. Fluctuations during this period in the proportion of sales taxes collected from farmers resulted primarily from two forces. One was the decline in population in the sales-tax States, which tended to reduce the proportion. The other was the rise in per capita farm incomes relative to the total, which tended to increase the proportion. From 1935 to 1943, the proportion of the total population living on farms was reduced by 15 percent. The farmer's share of sales-tax collections was also reduced about 15 percent. Evidently, the ratio of farm to nonfarm per capita expenditure remained fairly constant.

From 1943 to 1947, the proportion of the total population living on farms in these States decreased about 6 percent. The farmer's share of sales-tax payments, however, increased about 10 percent. During this period, therefore, it appears that per capita expenditures of the farm population increased more rapidly than those of the total population.

The farmers' share of sales-tax payments decreased from 10.7 percent in 1947 to 9.2 percent in 1953. During this period, the proportion of the total population in sales-tax States that lived on farms decreased from 21.3 to 15.6 percent.

Obtaining the Per Capita Income Ratios

A problem involved in adjusting per capita tax collections to reflect income differences in each State was that income data were not readily available. It was necessary, therefore, to derive income estimates from available data.

The 1950 Census of Population obtained from a 20-percent sample of all persons 14 years old and over for 1949 the amount of money wages or salary received, the amount of net income received from self-employment, and the amount of other money income received.8/ These data were summarized by the Bureau of the Census. They show by States the number of families and unrelated individuals in various income classes for both the total and the rural farm populations. Per capita income figures were not shown for either the farm or the total population.

To obtain per capita income estimates in each State from available census data, the number of families and unrelated individuals in each income class in each State was multiplied by the midpoint of the income class (for example, $750 was used to represent the income class

8/ U. S. Census of Population for 1950, Vol. II, Part 1, p. 63.

$500-$999) to obtain the total income for that class.9/ The estimated incomes for all classes were added and divided by the total population to obtain the per capita income of all the population. The same procedure was repeated for the rural farm population.

The per capita income of the rural farm population so derived was then divided by the per capita income of the total population to obtain the ratio of per capita farm income to the per capita income of the total population. It was assumed that the ratio so obtained would indicate the relationship between the farm population and the total population, as the per capita income of the rural farm population is probably about the same as the per capita income of the farm population. This procedure was repeated for each State having a sales tax.

National income relationships were derived in the same way. Results of these computations indicate that in 1949, the per capita income of the rural farm population was about 57 percent of the per capita income of the total population.

Adjusting the Income Ratios

Each year the Agricultural Marketing Service estimates the per capita net income of the farm population.10/ The value of products produced and consumed at home and the value of inventory changes are included in these figures. As sales taxes are not paid either on items produced and consumed at home or on inventory changes, these items were subtracted from Agricultural Marketing Service estimates of the net income of the farm population.

A similar procedure was used in adjusting the national income figures published by the Department of Commerce.11/ These adjustments made it possible to compare the results derived from census data for 1949 with those derived from Agricultural Marketing Service and Department of Commerce data.

Results derived from the data obtained from the last two agencies indicate that in 1949 the per capita income of the farm population was only 50 percent of the per capita income of the total population. This differs from the 57-percent figure obtained from census data. It was decided that the 50-percent figure represented a more reliable estimate than that obtained from census data. Each State figure derived from census data, therefore, was lowered about 12 percent. For example, census data indicated that in Kansas the per capita income of the farm population was 80 percent as great as the per capita income of the total

9/ The average income in the open-end class was approximated by using the Pareto curve.

10/ Net income estimates for the total population are based on Department of Commerce estimates of nonagricultural income with appropriate adjustments to improve their comparability with estimates of farm income.

11/ Total personal income in the United States reported by the Department of Commerce was adjusted to exclude nonmoney items.

population. This figure was lowered to 70 percent to put it in line with national estimates.

Income data by States are not shown in Agricultural Marketing Service or Department of Commerce reports. But census reports provide State estimates for the censal year 1949. It was assumed, therefore, that if a benchmark year could be established for each State, changes in income in each State since that time would follow the national pattern.

Estimating Annual Income Ratios for Years Other Than 1949

To obtain State figures for intercensal years, it was assumed that State estimates change by the same percentage as national totals. For example, in 1950, national estimates derived from Agricultural Marketing Service and Department of Commerce data indicate that the per capita income of the farm population was only 45 percent of the per capita income of the total population. This figure was 50 percent in 1949. It was assumed, therefore, that the ratio of the per capita income of the farm population to that of the total population in each State in 1950 was 90 percent of the 1949 figure (45% ÷ 50% = 90%). The 1949 ratio of 70 percent in Kansas was, therefore, multiplied by 90 percent to obtain the 1950 ratio of 63. To obtain estimates for other years in each State, a similar procedure was followed.

There is merit in the argument that State ratios may not follow the national pattern, but it is hoped that these differences tend to cancel out. One would suppose that the degree of reliability of estimates by States would decrease each year as the number of years increase from 1949. Nevertheless, national figures should continue to be reliable, and the State data should be adequate to show general trends.

A doctorate thesis, "Social Security and the Farmers," by J. J. Klos, dated 1953, is on file in the University of Wisconsin library. Part 3 includes a survey of the social insurance coverage of farmers in other countries.

MEASURES USED IN REDUCING THE EFFECTS OF DROUGHT IN THE OKLAHOMA PANHANDLE 1/

Marlowe M. Taylor

Since 1950 the Oklahoma Panhandle, like other areas of the southern Great Plains, has suffered from severe drought. In addition, cattle prices broke sharply in the spring of 1952, and, because of a lack of feed and pasture, many farmers and ranchers were forced to reduce their cattle numbers at depressed prices. Recurring drought is a normal feature of this area. Annual precipitation varies widely. In the 1940-54 period, it varied from 33 inches in 1941 to about 10 inches in 1954. Moreover, severe drought may occur when annual precipitation is normal or above. For example, precipitation in 1950 was about 40 percent above the 1940-54 average, but seasonal distribution was such that the 1950 wheat crop was a near failure.

Yields of wheat and grain sorghums (the principal crops and the principal sources of farm income in the area) may serve as general indicators of the severity of the drought. Except for 1952 (when the average yield of wheat per seeded acre in the area was near the 1940-54 average of about 9 bushels) yields of wheat during the 1950-54 period ranged from 1 to 5 bushels per seeded acre. Indications are that the 1955 wheat crop was a near failure. In 1950 and 1951, yields of grain sorghums were 25 and 35 percent, respectively, above the 1940-54 average of 13 bushels per harvested acre. However, the annual yields of

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1/ Based on data for Cimarron and Texas Counties except where otherwise noted.

Late in the summer of 1954, information on farm credit and related data were obtained for these counties through interview of selected farmers, merchants and dealers, and lenders (banks, the local PCA and NFLA, FHA, and the State of Oklahoma) by the Production Economics Research Branch, Agricultural Research Service, U. S. Dept. of Agriculture, assisted by the Oklahoma Agricultural Experiment Station. These data were supplemented by statistical information on such items as crops and livestock, climate, and soil conservation obtained from the Agricultural Marketing Service and the Soil Conservation Service, U. S. Dept. of Agriculture; the Farm Credit Administration; the Weather Bureau, U. S. Dept. of the Interior; and other agencies. From these data a report "Farm Credit In A Southern Great Plains Drought Area - A Study of Cimarron and Texas Counties, Oklahoma, 1950-54" was prepared by Marlowe M. Taylor and published by the Production Economics Research Branch, Agricultural Research Service, USDA as ARS 43-12. In the summer of 1955, under the direction of G. P. Collins and assisted by the Production Economics Research Branch, ARS, the Oklahoma Agricultural Experiment Station obtained additional and supplemental information on farm credit and related subjects through interview with selected farmers, merchants and dealers, and lenders.

This article summarizes some of the more important data from these sources, particularly information pertaining to measures used in reducing the effects of drought.

this crop in 1952, 1953, and 1954 averaged from 28 to 35 percent below the 1940-54 average. The 1955 crop is reported to be somewhat below average.

This latest siege of drought has forced most farmers and ranchers in the area to make major adjustments in their operations. Emergency aid from the Federal Government has been required by many of them. Others have been able to continue operations by using financial reserves accumulated during the "good years" of the 1940's or by borrowing from conventional sources - or both. Relatively few have been able to improve their financial positions during the current drought, and most of them have had substantial declines in net worth. In the last few years farmers and ranchers in the area have increasingly emphasized soil and moisture conservation measures. The number of farmers and ranchers in the area who cooperate with the Soil Conservation Service has increased substantially since the beginning of the drought. Interest in irrigation has been stimulated by the drought and irrigation has become increasingly important.

With severe declines in farm income, many farmers and ranchers in the area have found it necessary to reduce expenditures - particularly for machinery, livestock, and labor. Off-farm employment has helped to supplement the meager farm income of some farmers. Federal payments for conservation practices and income derived from mineral leases have also tended to cushion the effects of unfavorable weather and prices.

Emphasis in this paper is on the nature, and to some extent the effectiveness, of the measures used to alleviate the effects of drought in the Oklahoma Panhandle.

Farm Credit

Farmers in the Oklahoma Panhandle have made major adjustments in the use of farm credit during the drought period.

Under the conditions of financial strain resulting from drought and lower cattle prices, non-real-estate farm credit requirements have remained high or have been increased. At the same time, the value of chattel security that farmers have to offer - largely livestock and machinery - has declined. As a result, many farmers have had difficulty in obtaining adequate operating credit from such lenders as commercial banks and the local production credit association. Without emergency aid from the Farmers Home Administration, some of these operators might not have been able to continue operations.

About a fifth of approximately 1,700 farmers in the area obtained initial operating loans - largely emergency loans - from the Farmers Home Administration between mid-1951 and July 1, 1955. Some of them obtained additional loans subsequent to their initial FHA loans (table 1).

Table 1.- Non-real-estate loans to farmers: Number and amount of emergency and production and subsistence loan commitments of the Farmers Home Administration, Cimarron and Texas Counties, Oklahoma, year ended June 30, 1952-55

Type of loan	Loan commitments, year ended June 30									
	1952		1953		1954		1955		Total	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars
Production and subsistence:										
Initial	17	73	15	75	14	69	6	30	52	247
Subsequent	17	41	27	31	50	46	57	83	151	201
Total	34	114	42	106	64	115	63	113	203	448
Emergency:										
Initial	22	19	44	32	173	199	81	146	320	396
Subsequent	4	3	21	12	15	19	94	157	134	191
Total	26	22	65	44	188	218	175	303	454	587
Grand total	60	136	107	150	252	333	238	416	657	1,035

Farmers Home Administration.

The drought has brought marked changes in the area so far as the distribution of non-real-estate farm loans among banks, local production credit association, and the Farmers Home Administration is concerned. In mid-1954, 26 percent of the total amount of non-real-estate farm loans owed to these three lenders was represented by Farmers Home Administration loans, whereas in mid-1951 the proportion was only 8 percent. The proportion owed to banks in the area declined from 66 percent on June 30, 1951, to 59 percent on June 30, 1954. The proportions held by the local production credit association were 26 and 15 percent, respectively, for these dates (table 2).

Following the sharp break in cattle prices in 1952, the demand for credit for livestock purchases declined. Because of continued drought and low cattle prices, it has remained weak. Because of lower farm income, farmers reduced their expenditures - and consequently borrowings - for machinery and equipment. At the same time, their demand for general production and family living loans increased as a result of sharply lower incomes.

Reports from merchants and dealers in the area indicate that the proportion of total sales to farmers has declined but that the number of sales financed with credit has increased. Although there have been few cases of legal action to effect payment, collections have been increasingly difficult, particularly on open accounts.

During the 1940's the amount of farm-mortgage debt in the area was reduced to a low level, but since that time a considerable increase has occurred. With lower farm incomes and decreases in the value of chattels, some farmers who have been unable to obtain adequate non-real-estate credit have secured real estate loans to finance current operations and to refinance burdensome debts. An additional factor in the increase in farm real estate debt has been the rapid expansion of irrigation.

The amount of Federal land bank loans outstanding in the area rose from $377,000 at the beginning of 1950 to $803,000 in mid-1955. A major life insurance company that was making very few farm real estate loans in the area at the beginning of the drought reports a considerable increase in lending activity in the last 3 or 4 years. This is largely because of an increase in loans made for irrigation development. Farm real estate loans made by the State of Oklahoma in the area have also increased. As of September 1, 1955, the amount of loans held by the State totaled $900,000 (excluding sales contracts) on 212 farms. This compares with $734,000 on 182 farms a year earlier. Prior to initiation of the new insured soil and water loan program the Farmers Home Administration made very few farm real estate loans in the area. During the fiscal year ended June 30, 1955, the Farmers Home Administration made 18 soil and water loans totaling about $196,000. Most of these loans were for irrigation facilities, and they were secured with farm real estate. Most of them were made in the first half of 1955.

Table 2.- Non-real-estate loans to farmers: Total amount held by 3 selected lenders and percentage of total amount held by each of the 3 lenders, Cimarron and Texas Counties, Oklahoma, June 30, 1950-54

June 30	Total amount held	Percentage of total held			
		Commercial banks 1/	Production credit association 2/	Farmers Home Administration	Total
	1,000 dollars	Percent	Percent	Percent	Percent
1950	2,293	76	17	7	100
1951	3,622	66	26	8	100
1952	3,612	71	20	9	100
1953	2,535	67	19	14	100
1954	3,020	59	15	26	100

1/ Based on location of the bank rather than location of the security or the borrower. Excludes loans guaranteed by the Commodity Credit Corporation.

2/ Includes Beaver County.

Soil and Moisture Conservation

Interest in soil and moisture conservation measures has increased in the area because of the drought. Initiation of such measures as cover cropping, stubble mulching, and proper use of rangeland has increased considerably. Although the drought has brought home to many farmers the need to seed some of their cultivated land back to grass, this practice is difficult if not impossible in periods of severe moisture deficiency. When moisture conditions are favorable for establishing a grass cover, they are also favorable for production of wheat or grain sorghum. Farmers who have had severe losses in income in drought years often find it necessary or desirable to seed their land to cash crops in favorable years in order to pay debts and build up financial reserves.

Irrigation has been effective in preventing wind erosion and in increasing crop yields. Reports from the area indicate that yields of grain sorghum on irrigated land have averaged 60 to 70 bushels per acre, and in some instances they have reached 100 bushels per acre. The average yield on dry land is less than 13 bushels per acre. Irrigation systems, however, require sizable investments. Also, little is known about the adequacy of the underground water which is the source of supply, and the extent to which irrigated acreage in the area can be expanded with reasonable assurance of an adequate and continuing water supply is not known. It is estimated that about 150 irrigation wells

were in operation in the area in mid-1955 compared with only 25 or 30 in 1949. The acreage irrigated from each well probably averages about 150 acres, and the cost of installing an irrigation system averages about $12,000.

Farm Expenditures

Because of sharply lower incomes and reduced borrowing power, farmers in the area have found it necessary or desirable to reduce cash outlays. The question for many farmers became one not of reducing expenditures but rather of deciding what reductions to make. The drought and the lower prices for cattle dictated the extent of reductions in livestock purchases and expenses. However, declines in feed purchases resulting from reduced livestock numbers were at least partially offset by increased expenses for feed because pasture conditions were unfavorable. Farmers have been able to reduce substantially expenditures for machinery and equipment, labor, and farm improvements.

Merchants and dealers report that sales to farmers have declined considerably since 1949. A large machinery and automobile dealer in the area reported that his total sales declined each year from 1949 through 1954 - from about $565,000 in 1949 to $354,000 in 1954. A second dealer in machinery and equipment reported that his sales declined from $260,000 in 1949 to $139,000 in 1954 - a drop of 47 percent. Two of the larger lumber and building supply dealers reported that their sales volumes in 1954 were about 50 percent below those of 1949.

Data obtained from selected individual farmers in the area indicate that cash outlays have declined considerably - particularly since 1951.

Consider the case of farmer A: His total cash outlay, exclusive of family living costs, declined from about $8,400 in 1949 to $2,400 in 1954. In 1951, however, an untimely purchase of livestock in the amount of $4,600 brought his total expenditures for that year to about $10,700. In 1949 and 1951, farmer A paid out $1,500 and $1,300 respectively for labor, but in 1950 and 1952-54, his labor expense totaled less than $500. In 1949, his machinery and equipment expenses, totaled nearly $2,000, compared with less than $900 in 1954.

Farmer B reported that his cash farm expenditures ranged from about $10,700 to $13,100 from 1949 through 1952, but in 1953 and 1954 his expenditures amounted to less than $2,600 per year. Most of this decline in expenditures was due to declines in labor expense, livestock purchases, and expenditures for capital items - machinery and equipment, land, and farm improvements.

Cash expenditures of farmer C declined from $14,300 in 1951 to $4,000 in 1954. Reductions in expenditures by this operator were due largely to reductions in outlays for machinery and equipment and hired

labor. In 1951, this operator's labor expense totaled about $2,100, compared with only $200 in 1954. In 1951, his purchases of machinery and equipment totaled nearly $6,000, compared with $2,900 in 1952 and none in 1953 and 1954 (table 3).

Other Measures to Combat Drought

Off-farm employment has helped to supplement the meager farm incomes of some farmers in the Oklahoma Panhandle during the drought period. For example, one farmer in the area said that had it not been for wages received for off-farm labor as an oil company worker he would have had to suspend farm operations and liquidate his small farm equity. Another farmer reported that he had been forced to seek off-farm employment in order to "keep the farm going." Before 1952 he had farmed full time but since then most of his time had been spent in off-farm work for an oil company. A third farmer in the area said that since the drought began he has spent about 5 months of each year in off-farm work as a carpenter. A fourth farmer said that although most of his time is spent on the farm, he supplements his income with custom work. However, because of the very poor crops this type of work has been difficult to find.

Federal payments for soil and water conservation practices have also helped to cushion the effects of the drought. Increases in such practices as cover cropping, stubble mulching, contour farming, and strip cropping have resulted in larger Federal payments. One farmer reported that his payments for conservation practices increased from about $225 in 1949 to $400 or over in 1954.

According to reports from real estate dealers and bankers, most farmland in the area is under mineral lease to oil and gas companies. Payments from these leases and royalties have been important supplements to low farm incomes for many farmers.

Summary and Conclusions

The Oklahoma Panhandle has suffered from drought since 1950. The situation was aggravated by a sharp decline in cattle prices in 1952, and by continued low prices since that time. As a result, farm income has been very low and farmers have made major adjustments in their operations. They have made adjustments in their use of farm credit and have reduced expenditures for livestock, machinery and equipment, labor, and other items. Some have found it necessary to supplement their farm incomes with off-farm work. An increasing number of farmers in the area have turned to irrigation as a solution to production problems, and the interest of farmers in soil conservation measures has increased. Federal payments for conservation measures and income from mineral leases and royalties have been important supplements to low farm incomes.

Table 3.- Cash expenditures, three selected farmers, Cimarron and Texas Counties, Oklahoma, 1949-54

Item	1949	1950	1951	1952	1953	1954
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Farmer A:						
Cash operating expense:						
Hired labor 1/	1,520	60	1,325	75	80	275
Machinery and equipment 2/	1,980	855	2,690	1,720	990	850
Livestock purchases	0	0	4,640	1,550	2,580	360
Feed and seed	705	40	735	255	280	135
Miscellaneous	1,120	300	900	845	280	735
Total	5,325	1,255	10,290	4,445	4,210	2,355
Capital expenditures:						
Machinery and equipment	1,900	0	0	0	0	0
Farm improvements	1,200	0	400	30	40	90
Total	3,100	0	400	30	40	90
TOTAL EXPENDITURES 3/	8,425	1,255	10,690	4,475	4,250	2,445
Farmer B:						
Cash operating expense:						
Hired labor 1/	720	720	975	975	0	25
Machinery and equipment 2/	1,600	1,900	2,200	2,200	1,500	1,500
Livestock purchases	3,200	5,500	7,000	0	0	0
Feed and seed	0	0	230	0	200	400
Miscellaneous	150	2,470	2,515	4,045	860	660
Total	5,670	10,590	12,920	7,220	2,560	2,585
Capital expenditures:						
Machinery and equipment	0	0	175	5,300	0	0
Farm improvements	0	0	0	500	0	0
Land	5,000	0	0	0	0	0
Total	5,000	0	175	5,800	0	0
TOTAL EXPENDITURES 3/	10,670	10,590	13,095	13,020	2,560	2,585
Farmer C:						
Cash operating expense:						
Hired labor 1/	820	295	2,140	700	275	200
Machinery and equipment 2/	2,255	2.265	3,075	3,085	2,600	2,400
Livestock purchases	0	1,070	0	40	0	0
Feed and seed	1,080	795	695	490	905	700
Miscellaneous	1,365	555	2,405	795	1,270	700
Total	5,520	4,980	8,315	5,110	5,050	4,000
Capital expenditures:						
Machinery and equipment	1,775	690	5,970	2,905	0	0
TOTAL EXPENDITURES 3/	7,295	5,670	14,285	8,015	5,050	4,000

1/ Includes custom work.
2/ Includes fuel and oil and repairs and parts on motor vehicles and other machinery and equipment.
3/ Excludes rent on land.

These measures have enabled farmers in the area to continue operations. Farm foreclosures have been few, even though delinquencies on farm debts have increased considerably. Reduced expenditures for machinery and equipment, labor, and other items apparently have not affected the scale of operation. The 1950-54 average annual acreage seeded to wheat was nearly 10 percent above the 1940-49 average, and the average annual acreage seeded to grain sorghums in the 1950-54 period was more than double the 1940-49 average.

The financial effects of the drought might have been less severe if farmers who were in position to do so had built up more adequate financial reserves during the good years of the 1940's. It should be recognized that drought interspersed with years of favorable weather is a normal feature of the climate. If financial reserves can be built up during good years, the use of emergency measures may be avoided to some extent in unfavorable periods.

Change in law affecting national bank real estate loans.- By act of Congress, approved August 11, 1955, section 24 of the Federal Reserve Act was amended to permit national banks to make "conventional" loans (loans not insured or guaranteed by the Federal Government) on improved real estate for periods up to a maximum of 20 years. This includes loans on improved farmland.

Prior to the amendment of section 24, national banks were not authorized to make such loans with maturities of more than 10 years. The new law requires real estate loans with maturities in excess of 10 years to be amortized at an average rate of at least 5 percent per year during the life of the loan. As amended, section 24 also permits loans to be made in amounts up to two-thirds of the value of the real estate. Previously, the maximum was 60 percent.

Under the new law, amortized loans with maturities in excess of 10 years but not more than 20 years may be made for amounts up to the maximum of two-thirds of appraised value. The two-thirds appraisal maximum also applies to loans written to mature within 10 years, provided annual payments are sufficient to amortize an average of at least 4 percent of the principal annually over the life of the loan. Unamortized loans, as previously, may not exceed 50 percent of appraised value, and no such loan may be made for a longer term than 5 years.

The new law also affects the permissible maturity of loans by national banks to finance the construction of residential and farm buildings. Prior to the amendment of section 24, such loans with maturities not exceeding 6 months were not subject to the limitations applicable to real estate loans; the maximum is now 9 months.

NOTES

Taxes and Benefits From Social Security for Farmers

The 1954 amendments to the Social Security law extending coverage to farm operators will become operative in 1956. By February 15, some 2 to 3 million farm operators will have filed their income tax returns and will have paid about $150 million in self-employment "social security" taxes on their earned income from farming in 1955. If the returns are properly filled out, these operators will then be credited with 4 quarters of coverage for Old Age and Survivors Insurance (OASI). Farm operators can be insured and eligible for benefits on the basis of farm earnings alone by April 1956, if by that time earned net income has been at least $400 in 1955 and in 1956, or if gross farm income was $800 or more in each year.

By 1957, the annual payments of OASI benefits to retired farmers and their dependents or survivors may be larger than tax collections on self-employment income from farming. The amount of benefits paid will be relatively large. Many farm operators are now at or near retirement age, and by that time they will have qualified for benefits. Also, monthly benefits are relatively large as compared with the low incomes earned and the taxes payable by a large proportion of farmers. For example, a retired farmer covered by OASI whose earnings ranged up to $1,320 a year could receive payments equal to at least 55 percent of his average earned income. But benefits received by workers with average earnings of $4,200 a year would replace only 31 percent of their previous income.

Taxes paid by all farmers will also be relatively low because the rate on self-employment income is only three-fourths as much as that paid by employers and employees on wages and salaries. But farmers make up such a small proportion of all workers covered by OASI (only about 3 percent of the total) that the amount of their tax contributions and benefits received will have little effect on the whole program. During the current fiscal year, for example, it has been estimated that total tax collections for OASI will be about $5.5 billion and that benefits paid will amount to about $4.5 billion. An additional half billion dollars will be earned as interest to increase the size of the reserve or trust fund - now about $22 billion.

But, irrespective of the balance between OASI taxes paid and benefits received by all farmers and their dependents, the taxes and benefits will not be uniformly distributed among all income groups of farmers. In order to estimate these differential effects, all farms reported by the censuses of agriculture from 1940 to 1954 were divided into 3 groups, with high, medium, and low values of products sold. The high-value group

includes all farms reporting sales of $5,000 or more (adjusted to 1954 prices), and the low-value group contains all farms reporting sales to the value of less than $1,200. The number of farms in each of these groups is shown in table 1.

Table 1.- Farms classified by value of products sold, 1940-54 1/

Year	All farms	Number of farms by value of products sold 2/		
		Sales of $5,000 and over	Sales of $1,200 to $4,999	Sales under $1,200
	Millions	Millions	Millions	Millions
1954	4.8	1.3	1.6	1.9
1950	5.4	1.2	1.8	2.4
1945	5.9	1.1	2.1	2.7
1940	6.1	.9	2.2	3.0
	Percent	Percent	Percent	Percent
1954	100	27	33	40
1950	100	22	33	45
1945	100	19	35	46
1940	100	15	36	49

1/ Adapted from the census by adjusting to 1954 prices.
2/ During the year preceding the census, except in 1954.

The number of farms reporting sales of farm products amounting to $5,000 or more at 1954 prices has increased substantially since 1940. But the number of farms in the medium-income group decreased by an even greater extent than the number of larger farms increased. It may be assumed that many of these farms are now included in the higher value group, because of increased production and marketings. The rest of the decrease is due to units that were consolidated with other farms, withdrawn from agricultural use, or on which production decreased to less than a sales value of $1,200. Most of the decrease in the total number of farms since 1940 is accounted for by the rapidly declining number of small units - those reporting a value of sales of less than $1,200 at 1954 prices.

An immediate effect of extending OASI to agriculture at this time may be to reduce temporarily the rate at which the numbers of medium- and low-income farms are decreasing. Some operators, who might otherwise have retired, may continue to farm a few years longer in order to earn the required quarters of coverage. Other farmers, who are already retired, may resume operations for the same reason. But after this temporary adjustment to a new program, it seems likely that the total number of farms will continue to decrease, as it has done during the last 15 years.

High-Income Farmers

Most of the operators of the larger farms are full-time farmers who are younger than average. Only 8 percent were 65 or more in 1950. It may be assumed that practically all of these operators usually file income tax returns and that most of them will pay the self-employment tax. Most of them soon will have earned substantial protection for their survivors, in case of untimely death. The amount of OASI benefits paid to this group during the next few years will probably be less than the taxes collected. The operators of these farms will pay most of the employer's share of the tax on hired farm labor for OASI.

Medium-Income Farmers

About one-seventh of the operators of the middle-income farms reported 100 days or more of off-farm work in 1949, and one-eighth were 65 years or older. The net earned income on many of these farms would not be large enough to require the payment of Federal income taxes, after deducting personal exemptions, but the self-employment tax could be paid in practically all instances by using the option of reporting half the gross farm income as net in order to qualify for OASI.

The total amount of OASI benefits that will be paid to this group of operators during the next few years will depend largely on the extent to which they take the initiative in establishing records of their earnings and thus qualify for benefits. Because of their low earnings, the total amount of taxes paid will not be large, and by 1957 it may be less than the amount of benefits received. A large proportion of the full-time farmers with gross incomes of this size are concentrated in a few sections of the country, and the high ratio of benefits paid to taxes collected may result in a substantial increase in incomes to farm people in these areas. If these farmers continue to operate their farms after retirement, relatively few of those who are otherwise eligible for benefits would have their benefits reduced because of annual earnings in excess of $1,200.

Low-Income Farmers

The number of farmers reporting sales of products amounting to less than $1,200 at 1954 prices has decreased by about a million in the last 10 years. Since 1940, the proportion of such operators who reported 100 days or more of off-farm work has increased from roughly a fourth to nearly half. It seems reasonable to assume that many of these operators have already earned OASI coverage, and that more will now be able to do so because of the recent extension of coverage to more occupations. Around a sixth of these farmers reported $800 or more in sales of farm products in 1949, enough to permit the payment of the self-employment tax and to earn coverage under OASI. Many part-time farmers may want to have this income added to that from other occupations, in order to increase their average earned incomes in covered employment and the potential size of their benefits.

Low-income farmers without nonfarm earnings will rarely be able to qualify for more than minimum benefits, but the total amount of social security taxes they pay will be very low as compared with the benefits they will receive. An unusually large proportion of these operators who earn the necessary coverage will soon be receiving retirement benefits for two reasons: (1) A large number of them are now at or near retirement age; and (2) practically none will have benefits reduced because of earnings in excess of $1,200 a year.

--John C. Ellickson

Farmers' Share of the Property Tax

How does the initial impact of property taxation on the farm population compare with that on the rest of the population? This problem was of paramount interest to farmers during the 1930's when they were facing property tax delinquency and loss of their farms. The amount of delinquency was probably due partly to the high proportion of State and local revenue that was obtained from a fixed charge - the property tax. With declining incomes, this tax became more burdensome.

In 1932, more than 70 percent of all taxes levied by State and local governments were collected from the property tax. In recent years, however, property taxation has been relegated to a less important role. In 1952, only 15 percent of the total tax revenue of State and local governments was obtained from the property tax. State governments obtained less than 4 percent of their tax revenue from this source, whereas local governments continued to derive almost 90 percent.

The major share of expenses allocated to local governments have been for education and highway maintenance. In recent years, an increasing proportion of these expenses have been financed by the Federal and State governments. This shift in method of financing has meant that the farmers' share of the taxload may have increased or decreased, depending on the type of tax that has been used as a source of revenue. To assist farmers in determining the relative advantages or disadvantages of proposed changes, it would be helpful for them to know their share of the property taxload.

In 1954, the Bureau of the Census published a release showing that the amount of property taxes collected by State and local governments for the fiscal year 1952-53 was $9,375,311,000. The Agricultural Research Service estimates that $1,059,761,000 of these taxes were levied on farm real estate and tangible personal property on farms. For 1952, levies and collections were about the same, except for a relatively small amount of tax delinquency. Thus, it could be said that 11.3 percent of all property taxes were collected from the owners of farm property.

The Census estimate, however, includes among the local levies taxes levied by cities. These taxes usually would not be affected by changes in State, county, or school-tax policies. If we consider only property taxes that are levied solely for State, county, and school purposes, those levied on farm real estate and personal property in fiscal 1952-53 were about 16 percent of the total.

Total property taxes levied are a product of assessments multiplied by applicable tax rates. Any contemplated increase in levies within a given taxing district presumably would be distributed equally on all property assessed therein. As assessments change slowly, the impact of future levies on different classes of property can be foretold by their current valuations. In 1952, about $227 billion of real estate and tangible personal property was assessed in the United States. In that year, also, it is estimated that the assessed value of farm real estate and tangible personal property amounted to $34 billion. The assessed value of farm property, therefore, was about 15 percent of the assessed value of all property in 1952. This relationship is likely to remain about the same for a number of years.

In 1952, approximately 15 percent of the total population lived on farms. The net income of the farm population in that year was estimated to be some 8 percent of that for the total population. Thus one might conclude that in 1952, the farm population comprised about 15 percent of the population, received about 8 percent of the net income, and paid about 16 percent of the property taxes (excluding levies for strictly municipal services). For that year, it is estimated that the farm population paid about 4 percent of the Federal income tax reported by individuals and about 10 percent of the State retail sales taxes.

--Ronald Bird

Progress in Farm Safety

At the tenth annual National Farm Safety Institute, held on June 13-16 at Michigan State College under the auspices of the National Safety Council, it was reported that 35 States now have fully organized State Farm Safety Committees. In addition, Arizona, Georgia, Louisiana, New Mexico, Tennessee, and West Virginia are organizing such committees.

Full-time farm safety specialists are working in Arkansas, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Mississippi, Nebraska, New York, Ohio, Pennsylvania, and Wisconsin. In Missouri and South Carolina, part-time farm safety specialists devote half or more of their time to farm safety. These specialists are chiefly on college staffs. Those in Arkansas, Kansas, Kentucky, and Mississippi are employed by Farm Bureaus in these States. In Iowa, there are two specialists, one on the college staff and the other employed by the Iowa Farm Bureau. In Pennsylvania, the specialist is in the Department of Public Instruction. In Ohio, he is on the staff of

the Industrial Commission. A fire safety specialist has been added to the staff of the Arkansas Farm Bureau.

In a study of the "Physical Hazards to Safe Living on 688 Iowa Farms," Samuel H. K. Shih found that 74 percent of the physical "situations" were safe, and 26 percent were hazardous. The study, a Master's thesis, is dated 1955, and was reported at the institute. The most hazardous situations were observed in connection with the sanitation and health aspects of farm life, followed in order by exposure to fire outbreak, the farm shop, and the care and handling of animals.

The statements that follow summarize some of the activities of the farm safety specialists, by States. Driver-training courses were reported as having been held in 320 schools in Iowa. In Kansas, about 65 percent of eligible high-school students have completed driver-training courses. As a result of the inspection of 2,642 farms in Kansas, about 1,000 hazards were found. In a cooperative project, Michigan State College published a 97-page booklet "What Can Colleges Do About the Traffic Problem?" In Minnesota, a project is underway to study the factors associated with farm accidents. In this study, an investigation is to be made of the personal and economic factors associated with accidents, such as the level of living, the level of education, tenure status, and type of agriculture. In Pennsylvania, a 50-percent reduction in fatal farm accidents was reported in 1954, as compared with 1953. It included a 33-percent reduction in tractor fatalities. In that State, 15 colleges offer courses in safety. A farm safety study by a graduate student from India will probably be completed at the University of Pennsylvania in 1956. Other accident studies, either completed or in progress, were reported from Arkansas, Iowa, Kansas, Michigan, Mississippi, New Hampshire, and Ohio.

--John D. Rush

New Forest Fire Policy

Farmers and farm-loan agencies will be interested in a new forest fire insurance policy which was made available in 1955 by a South Carolina insurance company. The policy covers damage by fire and lightning to young planted stands and merchantable (older) standing timber. It is expected that this insurance will make loans on standing timber more readily available, and available at lower interest rates, and that it will encourage the replanting of trees in areas that are devastated by fire. Large holdings in the care of qualified forestry managers are preferred, although the company will consider applications from small owners.

The insurance is now available in Southern States, and the company plans to introduce it in other regions. The basic rate in South Carolina is 50 cents per $100 of insurance - subject to certain debits and credits. Credits, or reductions from the base rate, of 15 percent are given for forest protection; 5 percent for a tree size of 12 inches

or more in diameter, breast high (DBH); 5 percent for fire-resistant species; 2 percent for heavy density of forest; and 2 percent for light underbrush. Debits or additions to the base rate are as follows: Lightning, 2 percent; naval stores, 20 percent; railroads, 5 percent; recreation, 10 percent; paved State roads, 5 percent; no fire protection, 50 percent; tree size of 0-5 inches DBH, 50 percent; steep terrain, 10 percent; heavy underbrush, 10 percent; and other recognizable hazards, 5 to 100 percent. The premium rate includes a charge equal to 80 percent of the annual premium for the additional hazard incurred from February through June. The insurance coverage per acre on unmerchantable (young) trees increases by $4 per acre for each additional year of tree age, as indicated below, up to about 20 years of age:

Age (years)	Coverage per acre (dollars)
2-3	4
3-4	8
15-16	50

--John D. Rush

Farm-mortgage survey.- The Bureau of the Census and the Production Economics Research Branch, Agricultural Research Service are cooperating on a 1956 survey of farm-mortgage debt.

Questionnaires will be mailed to approximately 190,000 owners of farmland to determine the amount of farm-mortgage debt and its distribution by States, tenure, type of lender, and interest rates. The resulting estimates will provide new benchmarks for the series on farm-mortgage debt and interest rates and current information on the farm-mortgage debt situation.

REPORTS

REVIEW OF FARM-MORTGAGE DEBT

Farm-mortgage debt may reach $9.0 billion by the end of 1955. This is about 10 percent above the $8.2 billion outstanding on January 1, 1955 - a somewhat higher rate than the 7-percent increase in 1954. The average rate of interest on outstanding farm-mortgage debt is about 4.8 percent. Interest charges in 1955 may total $411 million - about 9 percent above 1954.

On September 30, 1955, the outstanding principal of farm-mortgage loans held by 16 major life insurance companies was 11 percent above the same date in 1954. Farm-mortgage commitments of these 16 companies in the first 3 quarters of 1955 were $389 million, compared with $296 million in the same period in 1954. This is an increase of 31 percent. The amount of Federal land-bank loans outstanding on September 30, 1955, was 15 percent higher than a year earlier (table 1). Farm real estate loans held by member banks of the Federal Reserve System on October 5, 1955, were 12 percent above a year earlier. At the end of the third quarter of 1955, the amount of direct farm-ownership loans held by the Farmers Home Administration was about 1 percent above a year earlier.

The more liberal loan policies of some of the major institutional lenders appear to be important so far as the increase in farm-mortgage debt in 1955 is concerned. The Federal land banks raised their appraisal levels on most grades of farmland late in 1954. Also, some of the major life insurance companies have increased appraisals or upper loan limits. Section 24 of the Federal Reserve Act was amended in August 1955, to permit national banks to make "conventional" real estate loans (loans not insured or guaranteed by the Federal Government) for periods up to a maximum of 20 years and up to two-thirds of appraised value. Prior to the amendment, national banks were not authorized to make such loans with maturities of more than 10 years or for more than 60 percent of the appraised value.

The cost-price squeeze continued to be an important factor in the increase in mortgage debt in 1955. Farmers increasingly tend to secure loans for capital purposes with farm real estate mortgages. Some lenders are requiring more farmer-borrowers to pledge real estate as additional security for production loans. Farm real estate loans used to refinance and increase existing debts - both real estate and non-real-estate - are also a major factor in the increase. Also, many farmers have bought additional land in an attempt to offset declining farm income. A high proportion of these purchases have involved the use of mortgage credit.

Table 1.- Farm-mortgage loan experience, Federal land banks,1/ and 16 life insurance companies, first 9 months, 1954 and 1955

Item	First 9 months of year ending				Percentage change, September 30, 1954 to September 30, 1955	
	September 30, 1954		September 30, 1955			
	Federal land banks	Life insurance companies	Federal land banks	Life insurance companies	Federal land banks	Life insurance companies
					Percent	Percent
Loans outstanding, September 30:2/						
Number	324,338	170,128	351,608	178,250	8.4	4.8
Principal indebtedness:						
Total--1,000 dollars	1,261,349	1,753,966	1,450,816	1,950,645	15.0	11.2
Average--dollars	3,890	10,310	4,130	10,940	6.2	6.1
Loans closed:3/						
Number	36,764	15,573	65,670	19,324	78.6	24.1
Principal amount:						
Total--1,000 dollars	225,081	4/237,644	371,635	4/296,401	65.1	24.7
Average--dollars	6,120	5/13,500	5,660	5/13,740	-7.5	1.8
Payments on principal:						
Total--1,000 dollars	85,062	141,368	89,815	168,648	5.6	19.3
Percentage of principal outstanding at beginning of period--percent	7.2	8.6	7.0	9.4	---	---
Loans in process of foreclosure, September 30:6/						
Number	64	70	124	87	93.8	24.3
Principal indebtedness:						
Total--1,000 dollars	198	919	387	1,515	95.5	64.9
Average--dollars	3,090	13,130	3,120	17,410	1.0	32.6

1/ Includes Puerto Rico. 2/ Data for Federal land banks excludes purchase-money mortgages, sales contracts and loans called for foreclosure. 3/ Data for life insurance companies represents farm mortgages acquired including those purchased. 4/ Includes increase in principal indebtedness of mortgages already owned for 2 companies. 5/ Based on data for 14 companies. Excludes 2 companies not separating principal indebtedness of mortgages acquired during first 9 months from increase in principal of farm mortgages already owned. 6/ Data for Federal land banks represent loans called for foreclosure.

Reports from 10 major life insurance companies indicate that a continued high percentage of loan proceeds are for the purpose of refinancing existing debts. In the first 3 quarters of 1955, about 35 percent of loan proceeds for these companies were for refinancing real estate mortgages - about the same as a year earlier. The proportion for refinancing other indebtedness declined from 19 to 14 percent and the proportion for real estate purchase increased from 29 to 31 percent.

Data from a sample of the last 100 loans closed by each of the 12 Federal land banks prior to June 15, 1955, show that 50 percent of the loan proceeds were for the purpose of refinancing real estate debt. This compares with 48 percent a year earlier. The proportion used to refinance other debts declined from 12 to 9 percent, and the proportion for real estate purchase was about the same.

The dollar volume of farm mortgages recorded in the first half of 1955 totaled $1,312 million. This was 29 percent larger than the same period in 1954, and the largest dollar volume recorded in any 6-month period since records were started in 1934. The number of recordings in the first half of 1955 was 9 percent above that in the first half of 1954. A significant development in farm-mortgage activity in the first half of 1955 was the sharp increase in the average size of recordings, which rose from $5,990 in the first half of 1954 to $7,050 in the first half of 1955. This is an increase of 18 percent. The average size of loan closed by the Federal land banks increased 28 percent. The average size of farm mortgages recorded by insurance companies rose 7 percent, and the increase for operating banks was 12 percent. For individuals and miscellaneous lenders, the increase was 17 and 18 percent, respectively.

The amount of loans closed by the Federal land banks in the first half of 1955 was 60 percent above the first half of 1954. This sharp increase reflects to a considerable extent the more liberal appraisal policy adopted late in 1954. The amount of farm-mortgage recordings by insurance companies in the first half of 1955 were 34 percent above the same period a year earlier. Increases for commercial banks, individuals, and miscellaneous lenders were 22, 18, and 17 percent, respectively.

The amount of farm-mortgage recordings in the first half of 1955 was above that in the first half of 1954 in all regions. Regional increases ranged from 20 to 52 percent, except for the Middle Atlantic and Mountain States where they were 5 percent (table 2).

Contract interest rates on farm mortgages recorded in the first quarter of 1955 averaged about 4.9 percent (excludes New England). On a regional basis (excluding New England), the average ranged from 4.4 percent in the West North Central to 5.6 percent in the South Atlantic region.

In recent years increases in farm-mortgage debt have been relatively higher in the South and West than in other areas. At the beginning of 1955 the North Central States accounted for 39.9 percent of the

Table 2.- Number, amount, and average size of farm mortgages recorded, percentage change first half of 1955 from first half of 1954, by region and type of lender 1/

PERCENTAGE CHANGE IN NUMBER

Region	Type of lender					
	Federal land banks 2/	Commercial and savings banks	Insurance companies	Individuals	Miscellaneous 3/	All lenders
	Percent	Percent	Percent	Percent	Percent	Percent
New England	6	37	4/	24	-31	30
Middle Atlantic	14	11	25	-17	-14	1
East North Central	33	13	30	3	6	16
West North Central	30	10	44	3	5/	18
South Atlantic	10	2	3	-3	-8	-2
East South Central	18	4	10	-8	20	4
West South Central	46	11	16	-3	1	13
Mountain	12	-8	-2	-4	-13	-2
Pacific	10	30	-2	33	41	27
United States	25	9	25	1	5/	9

PERCENTAGE CHANGE IN AMOUNT

New England	27	23	4/	25	-21	26
Middle Atlantic	26	10	23	-9	-8	5
East North Central	62	23	44	8	38	32
West North Central	65	19	66	18	19	42
South Atlantic	44	22	6	15	20	20
East South Central	59	13	19	4	16	20
West South Central	97	30	18	10	11	28
Mountain	44	4	-9	12	-18	5
Pacific	44	58	26	58	63	52
United States	60	22	34	18	17	29

PERCENTAGE CHANGE IN AVERAGE SIZE

New England	20	-11	43	1	15	-3
Middle Atlantic	10	-1	-2	10	7	5
East North Central	22	9	11	5	29	14
West North Central	27	8	16	14	19	21
South Atlantic	31	20	4	19	31	23
East South Central	35	9	9	13	-3	15
West South Central	35	17	2	14	10	14
Mountain	28	13	-7	17	-6	8
Pacific	31	21	30	19	16	20
United States	28	12	7	17	18	18

1/ Data shown for Federal land banks are loans closed as officially reported, excluding purchase-money mortgages. Estimates for other lenders are based on actual recordings and include purchase-money mortgages.

2/ Includes Land Bank Commissioner loans.

3/ Includes Farmers Home Administration, mortgage companies, State and county agencies, and other miscellaneous lending organizations.

4/ Data inadequate for estimating percentage change.

5/ Less than 0.5 percent.

Table 3.- Farm-mortgage debt: Total amount outstanding and percentage distribution by regions, January 1, 1950-55

Region	Total farm-mortgage debt, January 1					
	1950	1951	1952	1953	1954	1955
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
United States	5,579	6,071	6,588	7,154	7,656	8,176
	REGIONAL DISTRIBUTION					
	Percent	Percent	Percent	Percent	Percent	Percent
Northeast	9.3	8.9	8.7	8.7	8.6	8.7
New England	2.6	2.5	2.4	2.4	2.3	2.3
Middle Atlantic	6.7	6.4	6.3	6.3	6.3	6.4
North Central	44.3	43.6	42.8	41.7	40.6	39.9
East North Central	20.3	19.9	19.6	19.2	18.8	18.5
West North Central	24.0	23.7	23.2	22.5	21.8	21.4
South	26.3	27.1	27.5	28.3	28.8	29.1
South Atlantic	7.9	8.4	8.8	9.2	9.3	9.5
East South Central	6.7	6.8	6.8	6.8	6.8	6.9
West South Central	11.7	11.9	11.9	12.3	12.7	12.7
West	20.1	20.4	21.0	21.3	22.0	22.3
Mountain	7.6	7.9	8.1	8.2	8.6	8.9
Pacific	12.5	12.5	12.9	13.1	13.4	13.4
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

total farm-mortgage debt, compared with 44.3 percent on January 1, 1950. The proportion in the Northeast declined from 9.3 percent at the beginning of 1950 to 8.7 percent on January 1, 1955. In contrast, the South and West accounted for larger percentages of total debt at the beginning of 1955. In the South, the increase was from 26.3 to 29.1 percent, and in the West, the proportion of total farm-mortgage debt increased from 20.1 to 22.3 percent. Increases in the South and West reflect the increased availability of farm-mortgage credit in these areas, particularly from life insurance companies and the Federal land banks (table 3).

Repayments on farm mortgages continued at relatively high rates in 1955. The rate of principal payments on farm-mortgage loans held by life insurance companies in the first 9 months of 1955 was slightly higher than a year earlier, but the rate was slightly lower for the Federal land banks. Delinquencies on farm-mortgage loans continued low in 1955 and, although they were above the 1954 rate, foreclosures in 1955 have been very low.

Interest rates on farm-mortgage loans firmed somewhat in 1955 after softening slightly in 1954, and they are expected to edge up slightly in 1956. The usual keen competition between lenders appears to have sharpened somewhat in 1955. This highly competitive situation may serve to retard any pronounced upward trend in interest rates in 1956.

Farm-mortgage debt is expected to continue upward in 1956 at a rate near that of 1955. Farm-mortgage money is expected to continue in good supply in 1956. Even so, lenders will continue to screen applications closely and will be alert to danger signals - particularly in areas that have experienced severe drought, severe price declines, and other adverse conditions.

Delinquencies and foreclosures are expected to continue relatively low in 1956, and repayment rates are expected to remain high. However, more farmers may find it difficult to meet scheduled mortgage payments, unless farm income improves substantially. A continued high volume of farm-mortgage loans made for refinancing existing loans is expected.

NON-REAL-ESTATE DEBT OF FARMERS

Non-real-estate debt (excluding CCC loans) owed by farmers is increasing in 1955 at a higher rate than in 1954. By the end of the year the amount of this type of debt may reach $7.9 billion. This is about 8 percent above the amount outstanding at the beginning of 1955. Some further increase in the amount of non-real-estate credit used by farmers is expected for 1956.

Interest rates on non-real-estate loans have been fairly stable in 1955 and are expected to be steady to slightly higher in 1956. Some farmers may find the cost of borrowed money a little higher, and they may be required to give more security than in 1955.

Although lenders are screening loan applications more closely, and, in many instances, are requiring additional security, apparently the supply of non-real-estate credit has been adequate in most areas. In fact, many lenders are willing to expand their volume of loans, particularly in the more stable farming areas. However, the value of security some farmers have to offer has declined to a point at which adequate loans from conventional lenders are unobtainable. In many of these instances, the operator has been referred to the Farmers Home Administration. Some increase in these referrals may be expected in the coming year, particularly in areas that have been hard hit by drought.

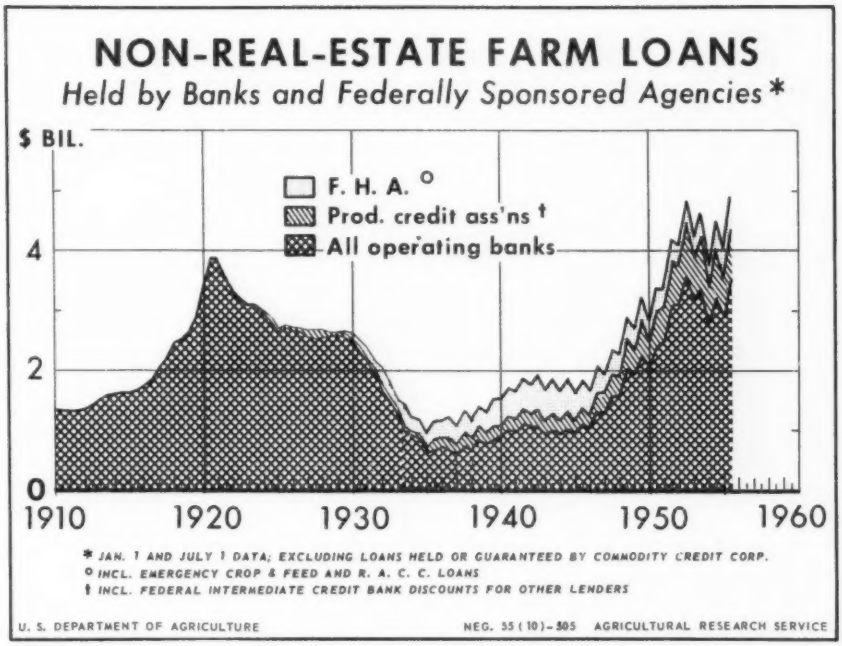

FIGURE 1

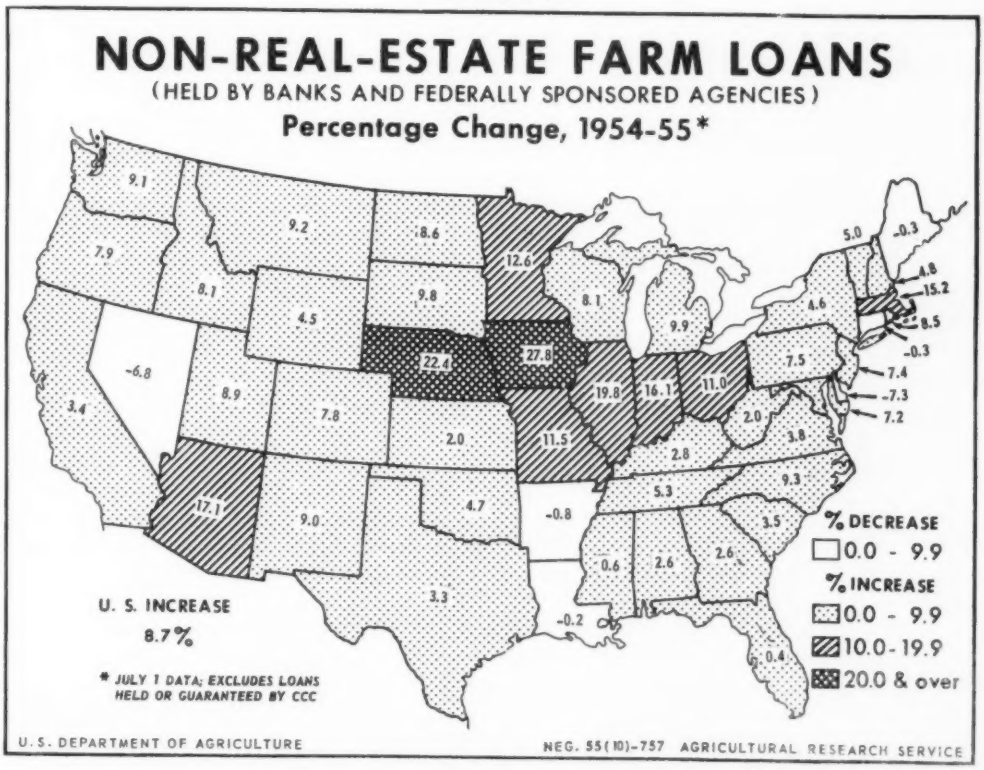

FIGURE 2

Delinquencies, extensions, and carryovers on non-real-estate farm loans appear to be up somewhat from a year ago, particularly in drought areas and areas that have experienced severe price declines, but they are generally reported to be low. Few cases of forced liquidation have been reported but some operators have found it necessary to refinance non-real-estate obligations into longer term real estate mortgages.

The principal institutional lenders - banks and federally sponsored agencies - have shared in extending more non-real-estate credit to farmers in 1955. On June 30, 1955, the amount of non-real-estate loans (excluding CCC) held by banks was nearly 10 percent above June 30, 1954. On October 5, 1955, non-real-estate loans held by member banks of the Federal Reserve System were about 12 percent higher than a year earlier. Production credit association loans outstanding in mid-1955 were nearly 9 percent above June 30, 1954. At the end of the third quarter of 1955, PCA loans were nearly 12 percent above September 30, 1954. Increases for both banks and PCA's were generally greatest in areas where cattle feeding is important, notably the North Central and West. Operating loans held by the Farmers Home Administration on June 30, 1955, were 5 percent above a year earlier. The increase during 1954 in the holdings of these principal institutional lenders was 8.7 percent (figs. 1 and 2).

Reports from merchants and dealers indicate that demand for credit by farmers has increased somewhat from a year ago and that collections are somewhat poorer. Some dealers reported that although their collections in 1955 were about as good as a year ago, more effort was required to obtain payments.

The higher rate of increase in non-real-estate debt in 1955 may be attributed to a number of factors. A major factor has been the increase in feeder cattle loans. The cost-price squeeze has induced many farm operators to expand operations in order to utilize more efficiently their labor and machinery and to keep incomes up. In addition, it has forced many farmers to incur or increase debts in order to meet current operating expenses.

FARM PROPERTY TAXES

Total taxes levied on farm real and personal property in the United States in 1955, payable largely in 1956, are expected to increase again this year. Preliminary data indicate a rise of 5 percent.

Inquiries in various States suggest that the major reason for this increase is the growing cost of education. The data thus far received, however, indicate that this cost is not rising as rapidly in rural as in urban areas.

Taxes levied on farm real estate in the United States in 1954, which were payable largely in 1955, increased 4.7 percent from their

level of a year earlier. This is the smallest percentage increase since 1944. In 1954, levies totaled $906 million compared with $866 million in 1953 (appendix table 26). These taxes were 22 percent higher than in 1950 and 95 percent higher than in 1945. It is anticipated that farm real estate taxes levied in 1955 will total about $950 million.

Taxes levied on farm personal property totaled $220 million in 1954. It is anticipated that these levies will increase about 5 percent to $231 million in 1955. This is in marked contrast to the change reported in the last 2 years, in which farm personal property taxes decreased 4 and 3 percent, respectively. These decreases were due to the lowering of the assessments on cattle, a major item of farm personal property reaching tax rolls. It is anticipated that the assessed values on this class will be raised slightly in 1955.

In all States, except Maryland, Mississippi, Utah, and Wyoming, taxes levied per acre on farm real estate were higher in 1954 than in 1953 (appendix table 23). The changes ranged from an increase of 16.2 percent in Delaware, where a reappraisal program was in progress, to a 2.8 percent decrease in Mississippi. Twenty-three States showed increases of less than 5.0 percent, and 17 States showed increases from 5.0 to 10.0 percent. In 4 States - Connecticut, Delaware, Michigan, and New Jersey - farm real estate taxes increased more than 10 percent.

Taxes levied in all geographic areas rose in 1954. The largest increase occurred in the Pacific and Middle Atlantic regions and the smallest increase in the South Central regions. These differences in the rate of increase may be due to the types of fiscal policy adopted in the various States. In some instances, for example, schools are financed largely by the State from revenue derived from nonproperty taxes. In others, they are financed mainly by local governments from revenue derived from the property tax.

The index of taxes levied per acre of farm real estate, which compares current levies with the average tax for 1909-13, reached 409 in 1954 (appendix table 24). This means that 1954 taxes were more than four times those levied before World War I. Regional increases during that period were greatest in the New England States and smallest in the West South Central States. These differences in the rate of increase are probably due to variations in the intensity of land use. For example, some agricultural land adjacent to an expanding urban area that is used, or is suitable, for subdivision is ordinarily more valuable for tax purposes.

In 1954, taxes levied per $100 of real estate reached the highest point ($1.00) found since 1941 (appendix table 25). The greatest increase from 1953 to 1954 occurred in the Mountain and New England States. A decrease occurred, however, in the West North Central region where land values increased noticeably.

Changes from 1953 to 1954 in taxes levied per $100 of value ranged from an increase of 12.9 percent in Colorado to a decrease of 5.7 percent in Minnesota. Taxes levied per $100 of value increased in 35 States and decreased in 9 States. In four States, there were no changes.

Maine had the highest tax per $100 of value ($2.83) and West Virginia the lowest ($0.37). In general, the Southern States have relatively low taxes per $100 of value and the New England States have relatively high taxes. The explanation of these differences probably lies in the different types of fiscal policy and also in the quality and quantity of public services.

The total amount of taxes levied on farm real estate for 1954 varied from $596,000 in Rhode Island to $85,451,000 in Illinois (appendix table 26). To a certain extent, these differences reflect differences in the value of farmland. To illustrate, the three States with the lowest amount of farm taxes are also those that have the lowest value of farm real estate. Also, the 3 States with the largest amount of taxes are among the 4 with the greatest values of real estate. However, there are some exceptions. For example, the value of farmland in Texas exceeds that in Illinois by 23 percent, but taxes levied on farmland in Illinois are more than twice as great as those levied in Texas.

Because a few States account for a large share of the total farm real estate levies, tax changes in these States are important determinants of changes in the national total. More taxes were levied on farm real estate in California, Illinois, and Iowa together than were levied in 32 other States. The farm real estate taxes levied in these three States exceed the total farm real estate levy in the South Atlantic, New England, East South Central, West South Central, and Mountain regions combined.

DEPOSITS OF INSURED COMMERCIAL BANKS

Total deposits of insured commercial banks increased about 4.5 percent during the year ended June 30, 1955 (table 1). The percentage increase of deposits was slightly greater in counties that contain secondary and small centers than in those that contain the major trade and financial centers. For all insured commercial banks, increases were of considerably more than average extent in the Southeast, Delta, Mountain, and Pacific regions; they were relatively small in the Northeast, Corn Belt, and Great Plains regions. But all regions and all classes of counties had increases of deposits during the year.

Deposits increased less in the selected agricultural counties than in other classes of counties during the year ended June 30, 1955. This may have been because agricultural income dropped during 1955, whereas national income rose. Relative to 1954, agricultural conditions in 1955 were more favorable in the East and South than in other parts of

Table 1.- Percentage change in total deposits of insured commercial banks, by class of county and by region, June 30, 1954-55

Region	All counties	Counties that contain:			Selected agricultural counties 3/
		Major trade and financial centers 1/	Secondary trade and financial centers 2/	Small trading centers 3/	
	Percent	Percent	Percent	Percent	Percent
Northeast	+3.1	+2.4	+4.6	+3.9	+4.6
Appalachian	+5.3	+6.5	+4.6	+5.7	+4.5
Southeast	+8.2	4/	+7.4	+9.1	+5.6
Lake States	+4.8	+6.3	+4.5	+3.7	+2.5
Corn Belt	+2.5	+1.4	+4.2	+2.8	+.1
Delta States	+7.7	4/	+9.8	+6.0	+5.9
Great Plains	+1.6	4/	-.9	+2.6	+.9
Texas-Oklahoma	+5.8	+7.1	+7.4	+3.6	+1.5
Mountain	+6.9	4/	+7.2	+6.7	+4.0
Pacific	5/ +8.4	+8.2	+6.4	+11.2	+2.1
United States	+4.5	+4.0	+5.1	+4.7	+2.8

1/ Counties that had total deposits of $1 billion or more on June 30, 1948.

2/ Counties that had total deposits of $100 million to $1 billion on June 30, 1948.

3/ Counties that had total deposits of less than $100 million on June 30, 1948. From these counties the 618 agricultural counties were selected. In all except a few of these agricultural counties, the farm population, according to the 1940 Census, was more than half the total population and no town or city had a population as large as 15,000. Total deposits of the 618 selected agricultural counties constituted, on June 30, 1955, only about 11 percent of the total deposits of all counties that contained small trading centers.

4/ This region contains no county that had $1 billion or more of deposits on June 30, 1948.

5/ Data for the Pacific region were adjusted to eliminate changes in deposits which arose from bank absorptions.

the country. This probably explains why increases of deposits in the selected agricultural counties were greater in the Northeast, Appalachian, Southeast, and Delta regions than in other regions.

FEDERAL CROP INSURANCE

Continued drought in the Southwest was the main cause of loss in 1955, but floods in New England severely damaged tobacco. Indemnity payments to farmers for crop losses will be somewhat larger than premiums collected. Loss experience by crops, since the program was started in 1939, is shown in table 1.

Table 1.- Indemnities paid as percentage of all-risk crop-insurance premiums, by programs, United States, 1939-54 1/

Year	Wheat	Cotton	Flax	Corn	Tobacco	Dry edible beans	Multiple crops	Citrus fruit	Total all crops
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
1939----	164	---	---	---	---	---	---	---	164
1940----	151	---	---	---	---	---	---	---	151
1941----	168	---	---	---	---	---	---	---	168
1942----	134	173	---	---	---	---	---	---	149
1943----	172	198	---	---	---	---	---	---	182
1944----	2/	2/	---	---	---	---	---	---	2/
1945----	45	383	60	165	79	---	---	---	248
1946----	53	344	182	83	41	---	---	---	178
1947----	64	113	64	221	100	---	---	---	81
1948----	58	43	51	17	44	28	6	---	53
1949----	145	197	62	16	66	64	16	---	132
1950----	52	281	42	126	61	183	94	---	91
1951----	106	82	49	238	49	314	165	0	112
1952----	85	44	79	25	79	56	233	4	97
1953----	125	105	95	17	190	62	91	0	115
1954----	142	56	77	56	89	159	150	0	124

1/ Wheat, cotton, and flax insured nationally through 1947; on trial basis in selected counties, 1948-52. All other crops on trial basis to date.

2/ No program in effect.

Federal Crop Insurance Corporation.

The Corporation announced last April that insurance would not be offered in 1956 in 14 counties in Colorado, New Mexico, and Texas, where the total indemnities paid for crop losses had been substantially in excess of premiums collected.

Barley will be insured as a separate crop in about eight counties in 1956. A variation of the multiple-crop contract also will be operated in a number of counties in 1956. Under it, a farmer may select the crops to be insured under one contract; but premiums and

Table 2.- Selected operating data for Federal Crop Insurance programs, United States, 1952-55

Program and year	Counties in which operated	Farmers insured	Maximum liability	Premium	Indemnity
	Number	Number	1,000 dollars	1,000 dollars	1,000 dollars
Wheat:					
1952	390	140,376	149,422	12,443	10,570
1953	407	173,418	187,264	16,075	20,035
1954	402	167,189	144,027	12,987	18,484
1955 1/	400	156,619	125,208	13,267	---
Cotton:					
1952	98	40,132	38,007	2,079	922
1953	109	45,965	47,190	2,353	2,461
1954	101	30,286	28,395	1,496	839
1955 1/	101	26,157	23,718	1,241	---
Flax:					
1952	59	13,128	6,195	512	407
1953	54	18,979	8,928	824	786
1954	53	19,678	8,575	939	719
1955 1/	50	14,907	6,011	691	---
Corn:					
1952	99	40,897	31,284	1,350	339
1953	108	46,194	37,302	1,663	278
1954	99	37,360	29,433	1,378	766
1955 1/	102	35,552	27,164	1,363	---
Tobacco:					
1952	82	95,569	52,482	1,543	1,213
1953	103	127,972	68,355	2,027	3,854
1954	107	121,928	70,634	2,366	2,107
1955 1/	127	132,497	72,664	2,708	---
Dry edible beans:					
1952	30	6,479	3,173	198	110
1953	30	6,731	4,087	230	142
1954	24	5,134	3,128	182	290
1955 1/	17	3,612	2,035	133	---
Multiple crops:					
1952	115	47,675	68,849	3,021	7,047
1953	113	58,240	83,487	3,862	3,501
1954	96	47,955	68,573	3,211	4,822
1955 1/	83	41,977	51,323	2,843	---
Citrus fruit:					
1952	1	202	804	56	2
1953	1	312	901	63	---
1954	2	563	1,625	105	0
1955 1/	2	528	1,346	94	---
Soybeans:					
1955 1/	7	1,252	455	28	---
Total, all crops:					
1952	874	384,458	350,216	21,202	20,610
1953	925	477,811	437,514	27,097	31,057
1954	884	430,093	354,390	22,664	28,027
1955 1/	889	413,101	309,924	22,368	---

1/ Preliminary.

indemnities will be determined for each crop separately. Under the multiple-crop contract, first offered in 1948, a number of crops are insured for a combined coverage. Indemnities are not payable unless the combined production, valued at the fixed prices, amounts to less than the combined dollar coverage.

More detailed data on the Federal crop insurance program are shown in table 2.

In 1956, some of the private insurance companies are planning to offer a "multiple-peril" type of crop insurance in selected areas, as a supplement to their crop-hail insurance. By the payment of a larger premium, protection will be extended to other specified perils, such as insects, plant diseases, and drought.

State tax collections in 1955.- State tax collections in the fiscal year 1955 totaled $11.6 billion. This amount, according to the Bureau of the Census, was up 4.5 percent from the $11.1 billion collected in 1954 and was 3 times the 1942 amount of $3.9 billion.

The 1954-55 increase was substantially below the increases for the previous 3 years, but was about equal to the average annual increase for the period 1942-50.

Most major tax categories shared in the 1954-55 net rise in tax yields. General sales and gross receipts continued to be the largest single source of tax revenue, providing $2,637 million - up 3.8 percent from the previous year. The next ranking source was the tax on motor fuels which increased 6.1 percent to $2,353 million. Taxes on motor vehicles and operators provided $1,184 million in 1955, up 7.9 percent from the 1954 level. The yield of individual income taxes increased the greatest percentage (8.0 percent) to reach a total of $1,084 million.

There were 3 categories in which tax collections were less in fiscal 1955 than in 1954. These were tobacco excise taxes, corporation income taxes, and the severance tax.

In the fiscal year 1954, tax revenue of all local governments amounted to $11.0 billion. This was practically the same amount as that collected by all State governments in that year.

BOOK AND THESIS REVIEWS

Diesslin, Howard G., Agricultural Equipment Financing, National Bureau of Economic Research, Inc. New York, 1955. Pp. xvi, 91. $1.25

A valuable and unique piece of research is embodied in the 100 odd pages of the National Bureau's Occasional Paper #50, Agricultural Equipment Financing. It is valuable in that it is the only current treatment on a nationwide level that presents the framework and the personality of the agricultural-equipment segment of the short-term credit market. It is unique because its factual basis rests on the welding together of four contemporary empirical studies.

Dr. Diesslin chose to develop his work through discussion of six major topics: (1) The economic basis of farm equipment financing; (2) the development of facilities for farm equipment financing; (3) the present market for farm equipment credit and its distribution among credit agencies; (4) characteristics of farm equipment credits; (5) development of credit practices; and (6) credit experience. The discussion resulted from an analysis of nationwide empirical studies that were directed at the farm machinery and equipment credit picture as of 1947. The first of these surveys was an enumerative survey of farmers, conducted by the former Bureau of Agricultural Economics (now the Agricultural Marketing Service and the Production Economics Research Branch, ARS). The second was a mailed questionnaire survey of Production Credit Associations. This was conducted by the National Bureau of Economic Research, Inc. The third, a survey of farm-equipment retailers, was also a mailed questionnaire and conducted by the National Bureau. Of less magnitude but equally as necessary was, fourth, a survey of equipment manufacturers. Similar surveys of other suppliers of credit would have added to the picture. The author did not ignore other available data, however, for he adapted some relevant results of the Federal Reserve-Federal Deposit Insurance Corporation Survey of Commercial Banks that was conducted in 1947 also.

In his opening chapter, the author points out that the percentage of farm physical assets that were farm equipment and machinery rose from 4.6 in 1930 to 7.4 in 1940 and to 15.6 percent in 1954. He attributes the greatest part of this rise since 1910 to the advent of tractor power. The farm-equipment-financing market is characterized as having (1) a large number of small units, (2) a slow rate of capital turnover, (3) income expectancy of potential borrowers subject to instability, and (4) transfer of ownership necessarily intermingles the financial aspects of the business with that of the family household.

During the period of development of facilities, it was noted that, after the long-line companies (larger companies manufacturing and selling a complete line of farm equipment) were established, manufacturers were

the primary source of credit for retail dealers and that 39 percent of the dollar volume of all equipment financing from 1935 through 1941 was provided by them.

A trend toward local financing became obvious during and following World War II. During this period, country bankers, in particular, became more willing to accept mechanically powered equipment as loan security, and their lending activities in the field of purchases of farm equipment financing increased correspondingly.

The author estimates that for 1947 the total credit supplied for purchases of farm equipment and machinery was $400 million, and that new equipment accounted for $280 million and used equipment for $120 million. These estimates were arrived at by evaluating pertinent existing statistics of the Departments of Commerce and Agriculture. This total credit volume is further broken down according to type of supplier by applying the findings reported in the Bureau of Agricultural Economics study.

No doubt the part of the paper of greatest interest to potential lenders is that on credit experience. The author admits the scantiness of data with which to portray this picture. He does show the trend in notes past due as a percentage of all purchaser notes held by reporting farm-equipment manufacturers to have decreased generally from a high of approximately 37 percent in 1935 to 0.2 percent in 1948. This shows a significant inverse correlation with the trend in net farm income.

To this reviewer the part of the paper that makes the greatest contribution is the discussion of the development of credit practices; for, with the other parts of the paper as supporting detail, it provides the basis for future policy of those interested in supplying credit for farm machinery and equipment financing. The author summarizes this subject as follows: "Contract lengths since the turn of the century have pretty steadily been shortened, and the recent shift to new credit sources, with commercial banks the chief supplier, seems to work in the same direction. Down payment requirements, often very lenient in the period of manufacturer-supplied credit, are still generally low when compared, for instance, with those for consumer durables. Provision for time payments, and especially for irregularly timed installments conforming to income flow in particular types of farming, is less frequent than when manufacturers were the chief credit source. Effective interest rates, apparently, are lower."

One might level a criticism at the length of time required to process and publish the findings - 8 years from the year in which the basic data were collected. Professor Saulnier's introduction bridges the gap however, and also suggests the potentialities of the farm equipment financing market. This is a basic piece of research - one that future students in the field will find to be an essential benchmark.

Richard G. Schmitt, Jr.
Rural Electrification Administration

Greenfield, John Edward. A Planning Technique for Farmers Insurance Needs, 1955. (Doctorate thesis available in thesis form from the Purdue University Library.)

A doctorate thesis with this title has been submitted to Purdue University by John E. Greenfield. The thesis also served as a final report to the U. S. Department of Agriculture on a cooperative project under which the study was made possible.

In order to minimize cash outlays for insurance premiums, the planning technique requires some self insurance. This self insurance is based on the farmer's net worth. In effect, his insurance outlay is minimized by substituting net worth for the most expensive forms of insurance. After net worth is used up as self insurance (except for next year's cash expenses), any remaining risks to be insured are protected by commercial insurance. Thus, a farmer's entire insurance program is considered as a unit.

The necessary amount of protection for each property risk is taken as the replacement value involved if a total loss were to occur. In the case of life and disability insurance, the necessary amount is the discounted present value of the future income level established, considering Social Security income.

A single "unit" of net worth can be used in connection with events that cannot occur simultaneously, such as death and disability. Self insurance based on net worth cannot be substituted for liability insurance. The amount of liability insurance (chiefly automobile) recommended is the amount required for State financial responsibility laws or the amount needed to protect the farmer's total net worth, whichever is greater.

The procedure was tested by applying it to eight actual cases. Comparisons were then possible between the kinds and amounts of insurance carried and those derived from the planning technique. Premiums for the proposed programs were not greatly in excess of the premiums currently paid. In some instances, they were less. Only one farmer under the planning technique had selected a goal so high that it required premiums far in excess of his current premium outlay. The most common discrepancy between present and proposed programs was that current liability limits were not high enough, disability insurance was not carried, and the amounts of life insurance were too low to protect desired goals.

Considerable additional work will be required to adapt the planning technique to farmer use.

Ralph R. Botts

RESEARCH PROJECTS IN AGRICULTURAL FINANCE
Agricultural Credit, Farm Financial Management, Agricultural Risks and Insurance, Farm Taxation, Local Government, and Public Finance

The following research projects are currently "in progress" in the field of agricultural finance. State projects include those reported directly by the State agricultural colleges and State agricultural experiment stations. Objectives of each project are briefly described. This list does not include the many related research activities of other agencies, such as projects of the Farm Credit Administration, the Farmers Home Administration, State tax commissions, and other agencies, much of whose research is directed primarily toward administrative problems.

AGRICULTURAL CREDIT

Alabama Agricultural Experiment Station: FINANCING BEEF AND DAIRY PRODUCTION.- The major objectives of this project are to determine capital requirements, credit needs, and potential returns of forage-livestock systems of farming which involve beef and dairy production. One or more major type-of-farming areas of the State will be selected for study. The following four groups of farms are to be considered: (1) Farms that have succeeded in establishing commercial beef and dairy enterprises; (2) farms that have attempted but failed to establish enterprises of this kind; (3) farms that have made no attempt to establish such enterprises; and (4) farms that are now in the process of, or are interested in the possibilities of, establishing commercial beef and dairy enterprises. Capital requirements, credit needs, and potential returns will be worked out for farms of various sizes, with various combinations of enterprises and production practices, and under varying price conditions. Budget analyses and other appropriate statistical techniques are to be used. Suggestions will be made as to possibilities and desirabilities of changes needed in farm lending practices and policies, and guides will be set up for amounts that might safely be loaned or invested by farmers on beef and dairy farms under varying conditions. Leaders: Ben T. Lanham, Jr., Foy Helms.

Alabama, Louisiana, Mississippi, Farm Credit Administration, and ARS: FINANCING DESIRABLE FARMING ADJUSTMENTS IN THE SOUTH.- This project is designed to determine the capital requirements for making desirable farming adjustments, as a basis for evaluating the role of credit and other ways of financing such adjustments. Various farm organizations or farming systems that are representative of the physical and economic conditions of selected type-of-farming areas would be compared in order to ascertain the capital and credit arrangements needed to facilitate adjustments to better farming systems. Credit needs and repayment possibilities of such adjustments under alternative price levels would be ascertained. Leaders: Alabama, Ben T. Lanham, Jr.; Louisiana, F. E. Stanley, O. B. Quinn; Mississippi, R. J. Saville.

Arkansas: EFFECTS OF FINANCING PRACTICES OF PRODUCERS ON MARKETING OF BROILERS.- The objective is to obtain information on methods of financing commercial broiler production in order to appraise their effects on the marketing of broilers. The rapid growth of commercial broiler production in Arkansas in the last 15 years has brought large benefits to farm people. Extension of credit to producers by feed dealers, hatcheries, processors, and other lending institutions or agencies has been a vital factor in the growth of the industry. Methods and terms of financing were developed under which producers and dealers shared the risks in production and marketing. This appears to have improved productive efficiency by introduction of better broiler chicks, better feeds, and better methods for reducing flock mortality. However, in this process, producers may have given up marketing functions that should have been retained, and the loss of which may have affected their economic status. Leader: W. J. Windham.

California: THE FINANCIAL STRUCTURE OF CALIFORNIA AGRICULTURE.- This study is concerned with the construction of a comparative balance sheet of agriculture for California, which is intended to serve as a basis for analyzing farm capital asset relationships, farm debt structure, and policy considerations. Leader: Murray Benedict.

Connecticut: AGRICULTURAL CREDIT INSTITUTIONS.- The purpose of this project is to examine the capital problem as a whole, credit requirements and lender specialization, lender policies, and problems of agricultural finance. This study is part of the program of the National Bureau of Economic Research, Inc., where George K. Brinegar was on sabbatical leave 1954-55. Leader: George K. Brinegar.

Delaware: RELATION OF FINANCING SOURCES AND METHODS TO THE PRODUCTION AND MARKETING OF BROILERS IN DELAWARE.- The objectives are to determine the business arrangements under which broilers are produced and marketed in Delaware and Maryland, the channels through which broilers are marketed, and the relation of financing methods to marketing practices and to the number, quality, and prices of broilers produced and marketed. Leaders: F. D. Hansing, W. E. McDaniel, F. L. Garlock, and R. O. Bausman.

Illinois: SEASONAL DISTRIBUTION OF EXPENSES IN ILLINOIS AGRICULTURE. Leaders: L. J. Norton and M. K. Lindstrom.

Illinois: ADJUSTMENTS IN FARMING IN SOUTHERN ILLINOIS.- One of the objectives of this project is to learn the present capital situation in southern Illinois agriculture. Sources of borrowed money, uses of credit, and recovery from a drought situation will be investigated on farms in the Farm Bureau Farm Management Service. Leaders: J. E. Wills and A. G. Mueller.

Illinois: FINANCIAL MANAGEMENT PROBLEMS OF FARMER COOPERATIVES.- An analysis of the financial statements of country grain elevators (including cooperatives) will be made during the latter part of 1955. Leader: R. J. Mutti.

Illinois: HOW YOUNG FAMILIES GET ESTABLISHED IN FARMING.- This project has as one of its objectives to reveal the amount and sources of initial capital used by beginning farmers, the amount and sources of credit, and the purposes for which credit was used by young men who began farming after World War II. Leader: F. J. Reiss.

Indiana: THE IMPACT OF AGRICULTURAL TECHNOLOGY ON FARMLAND APPRAISAL TECHNIQUE.- The objectives of this project are: (1) To analyze procedures now used by lending institutions in appraising farm real estate and to determine the major weaknesses and limitations of these procedures in view of the technological changes that are taking place in agriculture; and (2) to develop improved techniques for appraising farm real estate that will give adequate recognition to the impact of new technologies on the earning capacity of farms having various characteristics with respect to size, soil, improvements, location, and other factors. Leader: J. H. Atkinson.

Indiana: FARM REAL ESTATE VALUES AND THE FARM REAL ESTATE MARKET IN INDIANA.- This project was designed: (1) To relate the history of land values in Indiana, for the State and by geographic regions, to quality of land and other factors; (2) to relate the characteristics of the land market to these factors for the State as a whole, on the basis of Agricultural Research Service data; (3) to describe the characteristics of the land market in detail on the basis of transfer records in 6 counties from 1941 through 1950; and (4) to describe the mortgage-debt structure of Indiana farms. Leader: J. H. Atkinson.

Indiana: MARKETING AND FINANCING INDIANA'S POULTRY CROP.- This study is intended to determine the effects of financing arrangements on production and marketing practices, channels used, prices received, and quality of poultry sold, with special reference to broilers and turkeys. Leader: R. L. Kohls.

Indiana and Farm Credit Administration: TYPES OF AGRICULTURAL CREDIT REQUIRED TO FACILITATE NEEDED ADJUSTMENTS IN AMERICAN AGRICULTURE.- The aims of this project are: (1) To learn the extent and geographical location of the need for intermediate-term farm credit, (2) to determine the extent to which credit institutions are presently providing this type of credit; and (3) to determine whether and how existing credit institutions can adjust their operating techniques in order to provide a share of the capital needed to promote or to facilitate needed agricultural adjustments of an intermediate character. Leaders: R. C. Engberg, Farm Credit Administration; J. H. Atkinson and L. S. Hardin, Purdue University.

Indiana: FARMERS' USE OF MERCHANT CREDIT.- The objectives of this study are: (1) To obtain from farmers information concerning (a) the amount and characteristics of merchant credit presently used and (b) the attitudes of farmers as to merchant credit practices, policies, and costs; (2) to learn the practices and policies of merchants who make credit available to farmers, and the actual cost of such credit to farmers as compared with cash purchases; and (3) to formulate guides for

farmers in using merchant credit and for merchants in granting credit. Leaders: L. S. Robertson, C. B. Cox and E. E. Carson.

Indiana: PROBLEMS OF ACCUMULATING CAPITAL IN GETTING STARTED IN FARMING.- The objective of this project is to discover and assemble information concerning the operation of the processes by which young farm families obtain the capital necessary to become established in farming, when substantial family assistance is not available. Leaders: L. S. Hardin, J. H. Atkinson, and L. L. Arnold.

Kansas: AGRICULTURAL CREDIT AND FINANCE.- This is to be a study of needs, sources, and use of long- and short-term credit in agriculture, and also, farmers' knowledge of credit available, costs of such credit, and terms of repayment. It is a continuing study of trends in values of farmland with improvements and farmland not tillable, by type-of-farming areas in Kansas, and of the effect of income per acre on land values. Data from the Federal-State Statistician's Office and the agricultural census are used to calculate these values. Studies to determine cost and returns as a result of farm improvements, such as soil and water conservation practices, with emphasis on credit needed and availability of credit for such practices are carried on. A study of quality of land most frequently sold in a few counties in Kansas is underway. It emphasizes the relationship between quality, sales price, and assessed value for taxation purposes. Information on other factors that affect the sales price is to be obtained. Leader: Merton L. Otto.

Louisiana: FARMERS' COOPERATIVE BUSINESS ORGANIZATIONS IN LOUISIANA.- This is intended as a survey of farmers' cooperative business organizations in Louisiana. It will include collection of data on membership, marketing agreements, volume of business, financing, and annual directory by type of organization. Leader: Bueford M. Gile.

Louisiana: FARM REAL ESTATE TRANSFER PRICES AND FAMILY FARM FINANCIAL SITUATION.- This project is designed to determine the level of prices paid in the transfer of farm real estate in Louisiana, the availability of farm real estate for enlargement of small farms to an economic size, and the financial progress of selected farm owner-operators with a high ratio of debt to owned assets. Leader: Bueford M. Gile.

Maryland: CAPITAL REQUIREMENTS IN AGRICULTURE.- The objectives here are to ascertain the capital needs of various types of farmers, to determine the efficiency of capital resources, and to evaluate the various methods of acquiring essential capital resources for farming. Leader: Paul R. Poffenberger.

Michigan: GETTING STARTED IN FARMING.- This is part of a North Central Regional project of the same name. The primary purpose is to discover how young folks become established in farming without substantial parental aid. Information has been assembled on 385 potential borrowers from the Farmers Home Administration for the year ending June 30, 1952. Leaders: E. B. Hill and J. D. Anibal.

Minnesota: OPERATING LOANS OF THE FARMERS HOME ADMINISTRATION IN MINNESOTA.- The purpose of this study is twofold. First, the operating loan program of the Farmers Home Administration in Minnesota is being studied to obtain general information on this program in the State. Data on kinds of loans, loan volume by counties, borrower eligibility, and lending methods are being collected. Second, an analysis is being made of FHA operating loans in 8 counties located in 4 type-of-farming areas in the State. The aims are to determine the characteristics of these loans, their purposes, and the financial progress borrowers are making under the program. Leaders: E. Fred Koller and Reynold P. Dahl.

Mississippi: PRACTICES AND CHARGES OF SELECTED CREDIT AGENCIES IN MAKING LOANS TO MISSISSIPPI FARMERS.- A manuscript is being prepared relating to the policies and practices of commercial banks and production credit associations that operate within the State. This report aims at understanding how certain lenders analyze borrower situations, how their actions vary in regard to farm lending, and how stated policies are carried out in practice. Personal interviews were made with 30 commercial bankers and 9 Production Credit Association secretary-treasurers located throughout the State. Leader: Charlie B. Robbins.

Missouri: LAND-IMPROVEMENT CREDIT IN MISSOURI.- The study has the following objectives: (1) To determine the availability of loans up to 10 years from the various lending agencies in Missouri; (2) to find out the types of land improvements for which loans are available; (3) to determine loan characteristics and terms of credit for land-improvement purposes; (4) to learn the extent to which farmers are using the funds now available through credit agencies; (5) to ascertain the reasons for failure to use existing loans for land-improvement purposes. Leader: Frank Miller.

Nebraska: FARM FINANCE PROBLEMS AS RELATED TO ADJUSTMENTS IN FARMING SYSTEMS IN NORTHEASTERN NEBRASKA.- This study will analyze the year-by-year capital requirements associated with adjustments in crop and livestock production on a case farm in northeastern Nebraska. A comprehensive study of crop and livestock alternatives in this area has already been made. Taking six assumed capital-tenure positions, an attempt will be made to assess the extent and terms of capital that might be borrowed from the various credit agencies in the area for adjustments on this farm. The field work is completed and the manuscript is to be prepared. Leaders: A. W. Epp and H. W. Ottoson.

New Hampshire: ACQUIRING CAPITAL FOR FARMING.- This is an analysis of the capital needed by young men to enter the business of farming and the possibilities of their acquiring this capital. Leader: W. K. Burkett.

North Carolina: FAMILY-TYPE FARM RESEARCH PROJECT.- This is a cooperative undertaking by the North Carolina Agricultural Experiment Station, the Farmers Home Administration, and the North Carolina Rural Rehabilitation Corporation. Objectives: (1) To make an adequate determination as to what constitutes an efficient family-type farm-management

unit; (2) to determine the expenditures of funds that would be required to accomplish most efficiently an adjustment of land and family resources on family-type farms; (3) to ascertain the conditions under which credit should be extended in a farm-adjustment program; and (4) to ascertain the amount of funds required to enable qualified farm families to carry on successful farming operations and maintain decent standards of living from farm income with proper planning and the use of modern technology. No limit is placed on the funds to be loaned to an individual family. The amount actually loaned is based largely on the objectives of the study and the managerial ability displayed by the farm family. Virtually all the capital required to buy, develop, and operate a farm is loaned to the family in several instances. Funds are provided by the Rural Rehabilitation Corporation. Farmers Home Administration representatives supervise farm operations and the details of credit, advancement, and collection. The experiment station carries out most of the planning and analysis of the farm selected, making full use of tested technical improvements developed by the station. Leader: Q. W. Lindsey.

North Dakota: FARMERS' ACCESS TO CAPITAL AND LAND VIA CREDIT AND TENURE ARRANGEMENTS.- This study aims to explore the comparative merits of various avenues to ownership or managerial control of farmland and capital resources under the existing credit, tenancy, and inheritance arrangements; to evaluate the adequacy of present avenues to farm resources in the light of current and prospective capital requirements and production and price risks under North Dakota conditions; and to develop practical proposals for improving the conditions of accessibility to farm resources in line with current capital requirements and future income uncertainties - to the mutual interest of individual farmers, creditors, landlords, and the community. Leaders: T. H. Ellis, F. R. Taylor.

Oklahoma: FARM FINANCIAL NEEDS AND FINANCE PROBLEMS OF OKLAHOMA FARMERS.- This is a study of the capital needs of various types of farms in Oklahoma, how the use of capital is obtained, and the financial problems encountered in becoming established or in expanding operations in farming. One segment of the study gives attention to financial risks and ways of dealing with them. Leader: Geoffrey P. Collins.

Oregon: USE OF CREDIT ON NEWLY IRRIGATED FARMS, NORTHERN JEFFERSON COUNTY, OREGON, 1949-53.- This is one phase of a study of farm organization and development during the first 5 years of irrigation. Includes 44 farm units over the entire period. Capital structure, amount of credit used, sources of credit, and general purposes for which credit was used will be investigated. Leader: C. V. Plath.

South Dakota: THE FARM CREDIT SITUATION IN SOUTH DAKOTA.- This study will analyze past and present sources, terms, uses, and repayments of farm credit in South Dakota and will develop recommendations for farmers and government to increase efficiency in farm-credit situation. Leaders: M. Myers, A. Clark.

South Dakota: MARKETING FARM MACHINERY IN SOUTH DAKOTA.- A subproject of this is DEALER FINANCING OF FARM MACHINERY PURCHASES (the tentative title

for a Masters' Degree thesis). This study will develop data on the volume and terms of farm machinery dealer credit and the financing methods used by dealers. Alternatives to dealer financing are to be investigated. Leaders: R. L. Kristjanson and C. J. Fliginger, Research Assistant.

Tennessee: A STUDY OF THE NEEDS FOR, AND ADEQUACY OF, AGRICULTURAL CREDIT IN TENNESSEE.- This study involves an examination of the credit experiences of farmers in Lauderdale County, Tenn. (a cotton county); an investigation of the farm lending policies and practices of commercial banks throughout Tennessee; and an analysis of the farm service program presently active in a few rural banks within the State. Availability of credit, as related to collateral, tenure status of the borrower, and use of credit, as well as its cost, and farmers' willingness to borrow money in amounts needed for sound farm business methods are to be studied. Leader: R. G. Spitze.

Tennessee: FINANCING ASPECT OF AGRICULTURAL ADJUSTMENT.- The credit aspect of the problem is to be investigated and analyzed. This is a study of agricultural adjustment in respect to outmigration in Weakley County, Tenn. Leader: J. A. Martin.

Tennessee: FINANCING ASPECT OF AGRICULTURAL ADJUSTMENT IN WHICH THE CREDIT ASPECT OF THE PROBLEM IS BEING INVESTIGATED AND ANALYZED.- This is study of farm enlargements as related to industrial employment of farm-reared people in Lincoln County, Tenn. Leader: R. B. Hughes.

Tennessee: FINANCING ASPECT OF AGRICULTURAL ADJUSTMENT.- This is a study of agricultural adjustment in Haywood County, Tenn. It is intended to examine the credit needs in adjusting from a cotton system of farming to a cotton-livestock system. Leader: Thomas J. Whatley.

Texas: THE DEMAND FOR AND AVAILABILITY OF AGRICULTURAL CREDIT IN DROUGHT AREAS OF TEXAS.- The objective of the study is to analyze the agricultural credit situation with particular emphasis on subsistence and production loans in drought areas of Texas. Leader: Robert G. Cherry.

Wisconsin: WISCONSIN LAND TENURE.- This is a study of tenure factors that affect use of rural land in Wisconsin: (1) The role of agricultural credit in helping young people get established in farming and in developing the farm business; (2) title transfer procedures and their economic consequences for land use, with particular reference to the standards and costs of abstracts, title insurance, and attorneys' services; (3) Indian land tenure procedures with particular reference to taxation and public land management by local units of government (completed); (4) appraisal of land-records systems maintained by local units of government, including purposes, functions, statutory requirements, costs, and recommendations (proposed); (5) law-in-action study of case histories involving transfer of farms within the family. Leaders: Raymond J. Penn, K. H. Parsons, C. W. Loomer, S. D. Staniforth (Agricultural Economics), and J. H. Beuscher (Law School).

ARS (Production Economics Research Branch): CHARACTERISTICS OF FARM-MORTGAGE CREDIT.- This study is intended as an analysis of farm-mortgage credit in relation to ratio of debt to value, size and value of farm, type of lender, interest rates, and State and geographic area. Data for the analysis are to be taken from the agricultural censuses and the cooperative farm-mortgage surveys with the Bureau of the Census of 1945, 1950, and 1955. Leaders: R. W. Bierman, and M. M. Taylor.

ARS (Production Economics Research Branch): CURRENT ANNUAL ESTIMATES OF FARM-MORTGAGE DEBT.- Estimates of farm-mortgage loans held by principal lender groups are to be developed for the current year, by States. Techniques for estimating annual changes in farm-mortgage debt will be improved when possible. In cooperation with the Bureau of the Census, a farm-mortgage survey will be made in 1956 to determine benchmark estimates of farm-mortgage debt and number, acreage, and value of mortgaged farms by lender, tenure of farm operator, and States. Leaders: R. W. Bierman, and M. M. Taylor.

ARS (Production Economics Research Branch): EFFECT OF FINANCING METHODS ON MARKETING OF BROILERS.- This project aims to supplement studies of broiler marketing by determining the effects of financing arrangements and sources of credit on the number, quality, and prices of broilers marketed, on marketing agencies used, and on marketing practices and returns. A cooperative study under the project is now underway in Delaware. Leader: F. L. Garlock.

ARS (Production Economics Research Branch): ANNUAL CHANGES IN FINANCIAL STRUCTURE OF AGRICULTURE.- Under this project, annual balance sheets of agriculture are to be prepared and analyzed in relation to their significance for the farmer and the economy as a whole. Leaders: N. J. Wall, F. L. Garlock, L. A. Jones, R. W. Bierman, and W. H. Scofield.

ARS (Production Economics Research Branch): NON-REAL-ESTATE DEBT OF FARMERS.- This project is designed to maintain a series showing the amount of non-real-estate debt of farmers and to determine the characteristics and terms of credit extended by the major lenders.. Leader: F. L. Garlock.

ARS (Production Economics Research Branch): NON-REAL-ESTATE AGRICULTURAL CREDIT FACILITIES IN THE UNITED STATES.- The aim is to study the major types of non-real-estate credit institutions, with particular reference to organization, financial structure, and nature and effectiveness of operations. Leader: F. L. Garlock.

ARS (Production Economics Research Branch): FARM FINANCIAL AND CREDIT OUTLOOK.- The aim is to determine changes during the last year in the financial and credit situation of farmers, the outlook for the year ahead, and reasons for changes, both past and prospective. Data will be obtained annually from representative farmers, merchants, dealers, and lending institutions located in selected counties throughout the country. Leaders: F. L. Garlock, R. W. Bierman, L. A. Jones.

ARS (Production Economics Research Branch): FLOW OF BANK DEPOSITS AND EFFECT ON LOANS OF COUNTRY BANKS.- The objective is to measure the flow of bank deposits from or to agricultural areas and to determine the effects of changes in deposits on the lending power of banks in agricultural areas. Leader: F. L. Garlock.

ARS (Production Economics Research Branch): ESTIMATES OF FINANCIAL ASSETS OWNED BY FARMERS.- This study is designed to determine the amount of bank deposits, currency, United States savings bonds, and investments in cooperatives owned by the farm population. Leader: L. A. Jones.

ARS (Production Economics Research Branch): FARM FINANCIAL MANAGEMENT.- The aim is to determine practices of farm people in handling income, using credit, and making investments that improve the farm business, minimize financial risks, and facilitate the fulfillment of family and home objectives. Leader: L. A. Jones.

AGRICULTURAL RISKS AND INSURANCE

Indiana and ARS: INSURANCE NEEDS OF CORN BELT FARMERS.- This is a follow-up to INSURANCE PRACTICES OF INDIANA FARMERS. It is designed to determine the adequacy of farm insurance programs presently carried in relation to certain personal and financial characteristics. This appraisal will be used in formulating guides as to the type and amount of insurance farmers should carry to minimize business risks and for personal and family protection based on their business and personal family situations. Leaders: J. H. Atkinson, L. S. Hardin, J. E. Greenfield, Purdue; N. J. Wall, R. R. Botts, ARS.

Maryland: FACTORS AFFECTING THE COST OF CERTAIN KINDS OF INSURANCE TO FARMERS.- The objectives of this project are to determine methods whereby farmers might obtain maximum risk coverage relative to premium costs, to compare the desirability of comprehensive insurance policies versus single-risk policies, to investigate the practical use of a larger number of risk factors in fire insurance rate determination, to ascertain the trends in amounts of protection relative to premiums paid for different kinds of insured risks, and to determine the underlying causes of underinsurance and overinsurance of farm risks. Leaders: W. P. Walker, P. R. Poffenberger.

Montana: NATIONAL AGRICULTURAL POLICY IN RELATION TO MONTANA AGRICULTURE.- The following phases of this study deal directly with agricultural risks: (1) Listing and describing the characteristics peculiar to Montana agriculture - climatic risks, alternative uses for resources, price risks, optimum size and type of farms compared with existing sizes and types, and capital requirements; and (2) study of the economic impact of weather and price risks on the farm enterprise. Leader: Maurice Taylor.

New York: INSURANCE PROGRAMS OF NEW YORK FARMERS.- This will be an analysis and evaluation of current insurance practices of farmers. Leaders: G. W. Hedlund, John R. Tabb.

North Dakota and ARS: IMPROVED METHODS FOR MEETING WEATHER AND PRICE RISKS IN NORTH DAKOTA AGRICULTURE.- The objectives of this project are to appraise the economic significance of fluctuations in weather and price with respect to the structure and functioning of farm units, with special emphasis on a study of alternative measures for improvement of all-risk crop insurance, a study of crop insurance in relation to emergency credit, and a study of crop insurance in relation to reserve management as means of increasing the stability of farm income. Leaders: North Dakota, S. Stangeland; ARS, S. W. Voelker.

Vermont: INSURANCE ATTITUDES AND COVERAGE OF VERMONT FARMERS.- A study of all types of insurance carried by Vermont farmers and their attitudes toward various types of insurance. Leader: Robert O. Sinclair.

ARS: (Production Economics Research Branch): FARMERS' MUTUAL FIRE AND WINDSTORM INSURANCE IN THE UNITED STATES.- Objectives are to study the operating practices of farmers' mutual fire (including crop-hail) and windstorm insurance companies from the viewpoint of their improvement; to prepare summaries of the number of such companies, their outstanding insurance, and the amount of their premiums or assessments, losses paid, operating expenses, and safety funds, by States; and to analyze currently the problems and trends in such insurance, as indicated by special surveys. In 1956 particular attention will be given to improving the farm mutual insurance series. Leaders: Ralph R. Botts, John C. Ellickson.

ARS (Production Economics Research Branch): ACCIDENT PREVENTION AND CASUALTY INSURANCE.- This study is designed to learn the more common causes of farm accidents and the means of preventing them; to determine farm-accident costs, both direct and indirect; to study existing accident, hospital, surgical, public liability, employer liability, workmen's compensation insurance, and Social Security coverages with respect to their adequacy in meeting farmers' needs and equity of cost among farmers; and to prepare safety material for use in local accident-prevention programs and in schools. Leaders: John D. Rush, John C. Ellickson.

ARS (Production Economics Research Branch): ORGANIZED RURAL FIRE PROTECTECTION IN THE UNITED STATES.- Designed to follow developments in the field of organized farm fire protection; to analyze new legislation in this field; to ascertain what financial and other arrangements are involved between farmer groups and towns, which usually provide or cooperate in providing farm fire protection; and to measure the effectiveness of rural fire-protection services, as shown by farm mutual fire insurance experience in areas having various degrees of rural fire protection. Leader: John D. Rush.

ARS (Production Economics Research Branch): RISK AND RISK-BEARING IN AGRICULTURE.- Objectives are to study the economic significance of fluctuations in weather and other agricultural risks with respect to the structure and functioning of farm units, with emphasis on the uncertainty of farm income and yields by crops, and to examine various

methods of risk-bearing that afford possibilities of increasing the stability of farm income. Leader: Ralph R. Botts.

ARS (Production Economics Research Branch): FARM FIRE LOSSES.- This study is designed to maintain a series showing the annual amount of farm fire losses in the United States, and to analyze survey data to ascertain the frequency, severity, and causes of farm fires by classes of property, size of farm, and tenure, for broad geographic areas. Leaders: Ralph R. Botts, John D. Rush.

FARM TAXATION, LOCAL GOVERNMENT, AND PUBLIC FINANCE

Alabama: MUNICIPAL FINANCE IN ALABAMA.- A study of the taxes, expenditures, and debt structure of municipalities in the State. Leader: R. T. Collins.

Connecticut: EFFECTS ON AGRICULTURE OF URBAN-INDUSTRIAL DEVELOPMENT POLICIES.- Objectives: (1) To discover the impact of urban-industrial development on farm costs, such as wage rates, capital costs, land prices, property taxes, and transportation and other marketing costs; and (2) to identify the types of urban industrial development that lead to efficient employment of agricultural resources and to propose plans for efficient regional development. Leader: Harold G. Halcrow.

Connecticut: IMPACT OF ALTERNATIVE SOURCES OF TAX REVENUE ON THE CONNECTICUT ECONOMY.- Objectives: To identify possible revenues available in Connecticut and to appraise the impact of each alternative source on the Connecticut economy, with particular reference to the impact on agriculture. Leader: Harold G. Halcrow.

Illinois: COST OF LOCAL GOVERNMENT SERVICES.- The objectives of this project are to provide information to enable local government units in Illinois to become more effective and efficient, particularly in rural areas; to learn how much townships are paying for the services given and the causes for variation; and to keep township and county officers informed on matters of current interest that relate to legislation, finances, costs, and procedures. A current study concerns road cost per mile in 1,500 road districts. Leaders: N. G. P. Krausz, and Earl R. Swanson.

Illinois: TAX COSTS OF FARM TRANSFERS.- This project is designed to determine the amount of taxes paid, including income, gift, and death taxes, to transfer Illinois farms to members of families, and to advise farm people on methods of transmitting property that will both accomplish the owner's desires and reduce tax costs. Leader: N. G. P. Krausz.

Iowa: VALUATION OF FARM REAL ESTATE FOR TAX ASSESSMENT.- Aim is to study methods that may prove helpful to assessors in improving farm real estate assessments. Use of soil-survey maps and data is to be emphasized in arriving at assessed values. Ratios of assessment to sales value are to be studied. Leader: W. G. Murray.

Kansas: STUDIES IN LAND TAXATION, LAND TENURE, LAND VALUES, AND RELATED PROBLEMS.- The objective of the taxation phase is to investigate land taxation and related public finance problems that pertain to (1) assessment of property for taxation purposes, (2) attainment of an equitable distribution of the total tax load, and (3) administration of all taxes, including the general property, sales, income and other taxes. Leader: Wilfred H. Pine.

Maryland: THE MARYLAND TAX SYSTEM, WITH SPECIAL REFERENCE TO FARM REAL ESTATE ASSESSMENTS AND SCHOOL EQUALIZATION FINANCE.- Objectives are to trace the recent historical importance of tax types in Maryland, to compare the ratios of tax-assessment values to sales values of farm and nonfarm real estate, to determine the effects of unequal assessments (if any) on comparative State tax burdens and support of the school equalization program, and to appraise the major tax sources and fiscal policy that affect farmers' tax liability. Leader: William Paul Walker.

Maryland: IMPACT OF MARYLAND HIGHWAY-IMPROVEMENT PROGRAM ON AGRICULTURE.- Objectives are to analyze the impact and equity of taxes supporting the projected Maryland highway-improvement program on farmers and other groups; to determine the extent of subsidization by Maryland taxpayers because of undercontribution by out-of-State highway users toward support of Maryland's highway improvements; to compare costs of, with benefits from, rural roads, especially farm-to-market roads, to be improved under the program; and to appraise the current and potential fiscal problems in financing the contemplated highway improvements. Leader: W. P. Walker.

Maryland: EFFECTS OF MARYLAND TAX SYSTEM AND FISCAL POLICY ON FARMERS' TAX LIABILITY.- Objectives are to appraise the major tax sources and State fiscal policy with reference to their effects on farmers' tax liability; and to recommend changes in the tax system or fiscal policy needed to produce better tax equality and functional equalization. Leader: W. P. Walker.

Maryland: CONSERVATION AND ECONOMY IN RURAL SCHOOL BUS TRANSPORTATION.- Objectives are to determine those practices in public school bus operation which make maximum use of buses, with minimum travel distances and time on the part of pupils; and to explore the possibilities of modifying school bus transportation itself, or in conjunction with school plant locations, to the end that school bus transportation will make its maximum contribution to the public educational program as a whole, as well as play its part in the identity and preservation of rural communities. Leader: W. P. Walker.

Michigan: RELATIONSHIP BETWEEN TAX ASSESSMENT AND PROPERTY SALES VALUES.- Tax assessment and sales-value data have been assembled for most of the properties sold in the city of Lansing in 1953 and for most of the other rural and urban properties in Ingham County sold between 1950 and 1953. These data are being analyzed to determine the relationship between assessment and sales values in the various taxing districts,

and to determine the differences that exist between taxing districts and between areas classified as urban, urbanized, suburban, and rural. This study is part of a larger study entitled: "Economic Aspects of Land Use in Rural-Urban Fringe Areas in Michigan." Leader: Raleigh Barlowe.

Missouri: THE RELATIONSHIP BETWEEN THE ASSESSED VALUE AND SALES VALUE OF FARMLAND IN SELECTED COUNTIES IN MISSOURI.- Tax rates and total tax payments are included. Leader: Frank Miller.

Montana: EFFECTS OF STATE AND LOCAL TAX REVENUE COLLECTIONS AND DISBURSEMENTS ON MONTANA FARMERS AND RANCHERS.- Objectives are: (1) To describe the present tax structure use for financing public services in Montana, with special reference to intergovernmental payments used for equalization purposes; (2) to analyze the effect of recent development in tax structure and equalization programs on (a) the tax burden of various groups of citizens, particularly farmers and ranchers, and (b) the quality of services rendered; and (3) to make recommendations concerning improvements in methods of financing public services, emphasizing economy, quality of service, and equitable distribution of the taxload among citizens. Leaders: Layton S. Thompson, and Maurice Taylor.

Nebraska: TAXES IN NEBRASKA.- Analysis of State and county tax structure in Nebraska. Revenue requirements and sources are analyzed. The tax payments made by different occupational groups will be compared. Leader: Kris Kristjanson.

New York: ASSESSMENT OF RURAL PROPERTIES IN NEW YORK.- A study of assessed values of farm properties and of rural residences compared with their current values. Leaders: E. A. Lutz, Howard Conklin, M. S. Kendrick.

New York: INTERSTATE COMPARISONS OF STATE AND LOCAL GOVERNMENTAL SERVICES.- A comparison of functions of State and local governments available to farmers and others in New York State relative to other States. Leader: E. A. Lutz.

North Dakota: APPRAISAL OF THE RURAL TAX SITUATION IN NORTH DAKOTA.- Objectives are to provide a clear picture of the recovery of the State and local governments from the distress period of the 1930's and early 1940's, to isolate and formulate problems that emerge from sharp fluctuations in farm income as a result of poor or good crops and prices, to determine alternatives to minimizing the impact of lower farm incomes in future on State and local governments, and to develop classification and assessment techniques designed to bring about an equitable distribution of the taxload. Leader: S. Stangeland.

Ohio: SERVICES AND FINANCES OF LOCAL GOVERNMENT IN SELECTED OHIO COUNTIES.- Analyses are to be made of: (1) Revenues that support the functions of local government; (2) procedures, personnel, equipment,

and other investments incidental to carrying on the public business under different scales of operation; and (3) opinions of local people relative to what and how local governmental services can best conform to the needs of their area at reasonable cost. An analysis of financial statements of all units of local government will be made for a few counties. This analysis will then be used in various types of local study groups to obtain an evaluation with respect to problems and recommendations. The central purpose of the project is to analyze the financing and services of local government under each of three situations: (1) A prosperous rural community not seriously affected by changes in population or industrial developments; (2) a rural community with a rapidly increasing population and subject to important industrial developments; and (3) a rural community that is losing population and where financing local government is a problem because of low per capita wealth and the absence of economic opportunities. Leaders: F. B. McCormick, H. R. Moore.

South Carolina in cooperation with Southeast Land Tenure Committee and ARS: FARM TAX ASSESSMENTS IN THE SOUTHEAST.- Designed to survey farm tax assessment practices in the Southeast and to appraise their effectiveness in terms of relationships to appropriate measures of value. Leaders: George H. Aull, Calvin C. Taylor.

South Dakota: IMPROVING RURAL ASSESSMENTS AND TAXATION.- This will be a study of the relative tax burden of farmers and other citizens of the State. It will also emphasize possible ways to improve rural assessment of land and buildings, as well as personal property, and the effects of certain levy limitations upon rural taxation. Leaders: Max Myers, John Thompson. A preliminary report on this project, "Taxation in South Dakota," Agricultural Economics Pamphlet No. 58, December 1954, by Thompson and Myers has been published and is available upon request.

Texas: THE TAXLOAD ON FARMS AND RANCHES IN TEXAS.- Designed to determine the amount of taxes levied on both real and personal property by each type of governmental unit. Leader: L. P. Gabbard.

Wyoming: UTILIZATION, VALUATION, TAXATION, AND CONTROL AND MANAGEMENT OF LAND IN WYOMING.- To analyze methods for correcting maladjustments in costs that exist between users of Federal and deeded lands. Leader: A. F. Vass.

ARS (Production Economics Research Branch): FARM REAL ESTATE TAXES.- Objectives are the development and improvement of estimates of farm real estate taxes for the United States and for individual States and geographic divisions. Leaders: Ronald Bird, Tyler F. Haygood.

ARS (Production Economics Research Branch): PERSONAL PROPERTY TAXES OF FARMERS.- Objectives are the development and improvement of estimates of farm personal property taxes for the United States. Special interest is centered on determining the impact of this tax on certain classes of property. Leader: Ronald Bird.

ARS (Production Economics Research Branch): INCOME TAXES OF FARMERS.- Existing series of estimates on Federal income tax payments of farm people are to be continued and improved as additional data become available. Attention will be given also to Federal income tax problems faced by farmers. Leaders: F. D. Stocker, Tyler F. Haygood.

ARS (Production Economics Research Branch): EFFECTS OF SUBURBANIZATION ON RURAL GOVERNMENT FINANCE.- A study of what happens to rural governments when large-scale residential development takes place. The effects on local finances will receive particular attention, and the analysis will be related to changing economic, political, and social conditions in the areas studied. Leader: F. D. Stocker.

ARS (Production Economics Research Branch): STATE GASOLINE TAXES ON FARM USE OF MOTOR FUEL.- A study of the extent to which farmers' consumption of gasoline and similar fuels is subject to taxes on motor fuels. An examination of the State laws that govern exemptions and refunds will be coupled with a statistical study of fuel consumption, tax payments, and refunds. Leader: F. D. Stocker.

ARS (Production Economics Research Branch): SALES TAXES PAID BY FARMERS.- Aims of the project are the development and improvement of estimates of general sales taxes paid by farmers for the United States and individual States when possible. Leader: Ronald Bird.

ARS (Production Economics Research Branch): FARMERS' TAX BURDEN.- An analysis of the economic significance of taxes levied on farmers and agriculture, particularly with respect to an evaluation of the tax-load of agriculture. Also an evaluation of changes in tax laws as they affect farmers in their production and marketing activities as well as their position in regard to assets. Leader: Tyler F. Haygood.

Farm income taxes drop in 1955.- Federal income taxes of farm people, which stood at an all-time high of $1,430 in 1954, dropped by more than 20 percent during 1955, to $1,120. These payments are based on income received during the preceding year. The decline is attributable to the continued drop in net farm income during 1954 and to the cut in Federal income tax rates that took effect that year. In 1955, income taxes accounted for 5 to 6 percent of the net income of the farm population and averaged about $50 per person. For the average farm family, the decline in tax payments in 1955 amounted to about $55. Preliminary indications with respect to the 1955 income of farm people suggest a reduction of about another $10 in the 1956 tax payment of the average farm family.

STATISTICAL APPENDIX

Table 1.- Farm-mortgage debt: Total outstanding and loans held by principal lenders, United States, selected dates, 1910-55 1/

Beginning of year or month	Total farm-mortgage debt	Loans held by principal lenders								
		Federal land banks 2/	Federal Farm Mortgage Corporation 2/ 3/	Joint-stock land banks 2/ 4/	Farmers Home Administration 5/	Life insurance companies 6/	Commercial and savings banks 7/	Three State credit agencies 2/ 8/	Individuals and others
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1910	3,207,863					386,961	406,248		2,414,654
1920	8,448,772	293,595		60,038		974,826	1,204,383	9/	5,915,930
1930	9,630,768	1,201,732		637,789		2,118,439	997,468	96,360	4,578,980
1935	7,584,459	1,947,442	616,737	277,020		1,301,562	498,842	66,096	2,876,760
1936	7,422,701	2,113,502	794,147	200,617		1,112,289	487,505	53,705	2,660,936
1937	7,153,963	2,147,768	841,251	162,786		1,015,615	467,534	39,969	2,459,040
1938	6,954,884	2,126,610	824,151	133,554		988,557	501,450	35,362	2,345,200
1939	6,779,318	2,088,478	774,377	114,992	10,218	982,939	519,276	31,872	2,257,166
1940	6,586,399	2,009,820	713,290	91,726	31,927	984,290	534,170	30,294	2,190,882
1941	6,493,527	1,957,184	685,149	73,455	65,294	1,016,479	543,408	29,317	2,123,241
1942	6,376,080	1,860,784	634,805	55,919	114,533	1,063,166	535,212	30,406	2,061,175
1943	5,956,458	1,718,240	543,895	37,015	157,463	1,042,939	476,676	28,794	1,951,436
1944	5,395,671	1,452,886	429,751	10,097	171,763	986,661	448,433	24,082	1,871,998
1945	4,940,915	1,209,676	347,307	5,455	193,377	938,275	449,582	19,872	1,777,371
1946	4,760,464	1,078,952	239,365	3,808	181,861	891,263	507,298	9/	1,858,517
1947	4,896,970	976,748	116,621	1,641	189,300	888,665	683,229	9/	2,040,766
1948	5,064,845	888,933	107,066	645	195,069	959,715	840,647	9/	2,072,170
1949	5,288,331	868,156	77,920	462	188,893	1,036,383	900,843	9/	2,215,674
1950	5,579,278	906,077	58,650	270	188,855	1,172,326	937,144	9/	2,315,956
1951	6,071,345	947,431	44,008	0	214,047	1,355,766	1,008,359	9/	2,501,734
1952	6,588,270	994,128	32,778	0	233,374	1,541,041	1,046,923	9/	2,740,026
1953	7,154,038	1,071,358	23,899	0	257,936	1,715,164	1,105,096	9/	2,980,585
1954:									
January	7,656,186	1,169,418	17,628	0	268,060	1,892,643	1,131,214	9/	3,177,223
July	-----	1,229,311	15,161	0	272,965	1,999,000	1,190,121	----	----
1955:									
January	8,175,724	1,266,953	12,834	0	271,220	2,051,445	1,210,676	----	3,362,596
July	-----	1,393,194	----	0	269,342	2,185,000	10/ 1,318,770	----	----

1/ Excludes Territories and possessions unless otherwise noted.
2/ 1930-55 includes regular mortgages, purchase-money mortgages, and sales contracts; before 1930, regular mortgages only. Federal land bank and Federal Farm Mortgage Corporation mortgages in process of foreclosure were estimated for 1951 and 1952.
3/ Loans held by Corporation were made on its behalf by Land Bank Commissioner. Authority to make new loans, except incidental to liquidation, expired on July 1, 1947. On June 30, 1955 loans of the Federal Farm Mortgage Corporation were sold to the 12 Federal land banks.
4/ Joint-stock land banks have been in liquidation since May 12, 1933. Includes banks in receivership.
5/ Data for 1939-41 include only tenant-purchase loans. Thereafter, data include in addition to tenant-purchase loans, farm-development (special real estate) loans beginning 1942; farm-enlargement loans beginning 1944; project-liquidation loans beginning 1945; farm-housing loans beginning July 1950; and building improvement loans beginning 1955. Data also include loans for these purposes from State Corporation trust funds.
6/ Includes legal reserve companies only. Estimates based on direct reports from life insurance companies, annual statements submitted to State insurance commissioners, "Best's Life Insurance Reports," and monthly data from Life Insurance Association of America and Institute of Life Insurance. 1930-55 includes regular mortgages, purchase-money mortgages, and unpaid principal sales contracts; before 1930, regular mortgages only.
7/ Before 1935, open State and national banks; 1935-47, insured commercial banks; and 1948 to date, all operating commercial and savings banks.
8/ Department of Rural Credit of Minnesota, Bank of North Dakota, and Rural Credit Board of South Dakota. Rural Credit Board completed liquidation during 1945.
9/ Included with "individuals and others" except beginning January 1, 1948, farm-mortgage loans held by the Bank of North Dakota are included with all operating banks.
10/ Includes soil and water conservation loans insured by the Farmers Home Administration.

Table 2.- Farm-mortgage interest rates: Average for loans held by all lenders and by principal lenders, United States, January 1, selected years, 1910-55 1/

Year	All lenders	Federal land banks and Federal Farm Mortgage Corporation	Life insurance companies	Other lenders			
				Banks	Individuals	Miscellaneous 2/	Other lenders combined
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1910	6.0	5.5	5.2	6.0	6.5	6.1	
1920	6.1	5.4	5.8	6.5	6.1	6.3	6.2
1930	6.0	5.4	5.7	6.5	6.1	6.1	6.2
1935	5.5	4.6	5.6	6.3	5.9	6.0	6.0
1936	5.1	3.9	5.6	6.2	5.8	5.8	5.8
1937	4.9	4.0	5.5	6.0	5.6	5.6	5.7
1938	4.7	3.7	5.3	5.8	5.5	5.4	5.6
1939	4.6	3.7	5.1	5.7	5.3	5.3	5.4
1940	4.6	3.7	4.9	5.5	5.2	5.1	5.3
1941	4.5	3.5	4.8	5.5	5.2	4.9	5.2
1942	4.4	3.5	4.8	5.4	5.1	4.8	5.1
1943	4.4	3.5	4.7	5.4	5.0	4.6	5.0
1944	4.4	3.5	4.5	5.3	5.0	4.4	4.9
1945	4.5	4.1	4.5	5.2	4.9	4.2	4.8
1946	4.6	4.2	4.4	5.2	4.9	4.3	4.8
1947	4.5	4.2	4.4	5.1	4.7	4.3	4.7
1948	4.5	4.1	4.3	5.1	4.6	4.3	4.7
1949	4.5	4.1	4.3	5.0	4.6	4.3	4.6
1950	4.5	4.1	4.3	5.0	4.6	4.4	4.7
1951	4.6	4.1	4.3	5.1	3/	3/	4.8
1952	4.6	4.1	4.3	5.2	3/	3/	4.9
1953	4.7	4.1	4.4	5.2	3/	3/	4.9
1954	4.7	4.1	4.4	5.3	3/	3/	5.0
1955	4.8	4.1	4.5	5.4	3/	3/	5.1

1/ Contract rates, except on loans of Federal land banks, 1934-44, and Federal Farm Mortgage Corporation, 1938-45, which are included at temporarily reduced rates.
2/ Also includes Farmers Home Administration and joint-stock land banks.
3/ Data not available.

Table 3.- Farm-mortgage debt: Total outstanding and amounts held by principal lender groups, by States, January 1, 1955

State and division	Total	Amounts held by principal lender groups					
		Federal land banks 1/	Federal Farm Mortgage Corporation 1/	Farmers Home Administration 2/	Life insurance companies 1/ 3/	Others 4/	All operating banks 5/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	25,803	4,181	108	1,823	401	19,290	7,393
New Hampshire	25,491	1,966	33	261	3	23,228	4,067
Vermont	40,938	8,101	45	720	1,355	30,717	16,784
Massachusetts	49,943	6,335	136	459	612	42,401	10,011
Rhode Island	5,580	918	29	34	32	4,567	2,344
Connecticut	37,907	4,700	128	313	1,883	30,883	8,566
New England	185,662	26,201	479	3,610	4,286	151,086	49,165
New York	225,000	32,805	437	2,915	14,936	173,907	47,377
New Jersey	93,329	9,403	229	2,035	14,605	67,057	11,449
Pennsylvania	204,634	17,651	133	4,065	8,341	174,444	62,665
Middle Atlantic	522,963	59,859	799	9,015	37,882	415,408	121,491
Ohio	324,939	29,862	88	4,269	44,936	245,784	93,972
Indiana	276,036	32,075	127	4,664	98,747	140,423	55,506
Illinois	348,815	70,364	263	4,098	131,649	142,441	46,980
Michigan	215,132	38,560	332	4,548	13,606	158,086	45,186
Wisconsin	348,424	46,900	1,039	5,539	22,342	272,604	67,417
East North Central	1,513,346	217,761	1,849	23,118	311,280	959,338	309,061
Minnesota	337,011	69,159	806	7,653	94,332	165,061	56,253
Iowa	547,973	99,864	369	7,021	249,454	191,265	61,627
Missouri	248,187	31,077	409	12,780	96,781	107,140	46,753
North Dakota	63,189	19,601	946	4,302	11,231	47,109	6,325
South Dakota	117,175	43,698	352	4,053	42,133	26,939	4,499
Nebraska	206,523	58,017	496	5,350	79,525	63,135	11,064
Kansas	207,358	45,342	238	6,592	78,099	77,087	21,757
West North Central	1,747,416	366,758	3,616	47,751	651,555	677,736	208,276
Delaware	12,208	1,109	9	212	446	10,432	8,611
Maryland 6/	78,547	6,129	55	1,843	5,888	64,632	23,008
Virginia	116,539	10,935	89	4,780	18,745	81,990	36,470
West Virginia	34,047	4,712	49	3,294	776	25,216	10,515
North Carolina	169,999	22,392	291	11,449	21,793	114,074	32,169
South Carolina	71,174	16,205	280	8,556	5,062	41,071	8,502
Georgia	159,893	23,635	322	14,812	23,589	97,535	32,062
Florida	133,080	11,296	308	4,023	43,914	73,539	13,375
South Atlantic	775,487	96,413	1,403	48,969	120,213	508,489	164,742
Kentucky	154,274	14,829	77	4,845	40,647	93,876	53,944
Tennessee	126,379	14,915	107	7,898	21,814	81,645	37,321
Alabama	119,476	29,096	166	14,187	11,191	64,836	18,332
Mississippi	164,433	27,337	173	20,720	44,073	72,130	19,984
East South Central	564,562	86,177	523	47,650	117,725	312,487	129,581
Arkansas	137,193	13,737	199	11,324	56,768	55,165	15,436
Louisiana	82,209	15,583	148	8,563	16,903	41,012	17,610
Oklahoma	193,130	26,581	213	11,710	74,069	80,557	13,028
Texas	631,435	136,255	1,157	19,490	264,113	210,420	33,463
West South Central	1,043,967	192,156	1,717	51,087	411,853	387,154	79,537
Montana	108,104	20,060	269	3,270	26,897	57,608	3,067
Idaho	133,957	28,746	224	7,312	37,872	59,803	3,713
Wyoming	67,816	10,141	88	2,769	28,047	26,771	1,853
Colorado	184,625	21,928	84	3,262	58,080	101,271	6,492
New Mexico	85,182	8,352	89	3,027	39,449	34,265	2,993
Arizona	62,752	5,511	91	1,695	19,393	36,062	2,635
Utah	63,527	9,080	151	4,297	9,119	40,880	7,351
Nevada	20,821	1,919	14	588	6,855	11,445	807
Mountain	726,784	105,737	1,010	26,220	225,712	368,105	28,911
Washington	171,189	21,861	206	6,223	26,843	116,056	15,789
Oregon	180,082	21,220	229	3,545	35,886	119,202	12,035
California	744,266	72,810	1,003	4,032	108,210	558,211	92,086
Pacific	1,095,537	115,891	1,438	13,800	170,939	793,469	119,910
United States	8,175,724	1,266,953	12,834	271,220	2,051,445	4,573,272	1,210,676

1/ Includes regular mortgages, purchase-money mortgages, and sales contracts. State distribution of loans in process of foreclosure estimated for Federal land banks and Federal Farm Mortgage Corporation.

2/ Includes tenant-purchase, farm-enlargement, farm-development, project-liquidation, farm-housing loans, and loans for these purposes from State Corporation trust funds.

3/ Legal reserve companies only. Estimated unpaid principal based on Institute of Life Insurance data on book value of farm mortgages owned by all United States legal reserve companies, annual statements of life insurance companies submitted to State insurance commissioners, and United States Department of Agriculture survey of farm real estate owned by a sample of companies.

4/ Estimated total loans held by all operating banks, individuals, and miscellaneous lenders. State estimates are approximate and should be used only as general indicators of the amount of farm mortgage debt held by this group.

5/ Includes national and State commercial, mutual and stock savings, and private banks. Mortgage loans held by banks are classified according to location of bank and, therefore, State and regional totals are not strictly comparable with those for other lenders which classify mortgage loans according to location of farms mortgaged.

6/ Includes District of Columbia.

Table 4.- Farm-mortgage loans held by all operating banks and insured commercial banks, by States, specified dates, 1954-55 1/

State and division	All operating banks 2/				Insured commercial banks 3/			
	1954		1955		1954		1955	
	January 1	July 1	January 1	July 1 4/	January 1	July 1	January 1	July 1 4/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	6,718	7,339	7,393	7,717	5,165	5,813	5,866	5,931
New Hampshire	3,978	4,096	4,067	4,213	1,806	1,882	1,902	1,950
Vermont	16,342	16,501	16,784	17,123	10,378	10,097	10,577	10,786
Massachusetts	9,540	9,682	10,011	10,365	3,631	3,584	3,744	3,770
Rhode Island	2,314	2,204	2,344	2,468	1,986	1,866	2,042	2,175
Connecticut	8,500	8,636	8,566	9,370	4,359	4,261	3,937	4,148
New England	47,392	48,458	49,165	51,256	27,325	27,503	28,068	28,760
New York	44,226	45,826	47,377	50,902	35,950	37,376	38,229	41,213
New Jersey	10,024	10,868	11,449	12,177	9,751	10,616	11,164	11,815
Pennsylvania	59,571	61,306	62,665	65,424	58,763	60,511	61,862	64,652
Middle Atlantic	113,821	118,000	121,491	128,503	104,464	108,503	111,255	117,680
Ohio	88,961	90,937	93,972	98,406	84,184	86,210	89,253	93,442
Indiana	52,273	54,350	55,506	59,173	49,405	51,459	52,570	56,605
Illinois	42,813	45,038	46,980	51,434	42,701	44,896	46,838	51,381
Michigan	42,092	44,269	45,186	47,721	41,997	44,164	45,097	47,647
Wisconsin	62,795	65,069	67,417	70,877	62,090	64,398	66,702	70,125
East North Central	288,934	299,663	309,061	327,611	280,377	291,127	300,460	319,200
Minnesota	52,954	54,015	56,253	58,593	36,272	36,950	38,599	40,465
Iowa	57,967	60,328	61,627	66,264	53,778	56,227	57,510	61,828
Missouri	43,712	45,726	46,753	50,502	43,352	45,332	46,358	50,106
North Dakota	5,783	6,032	6,325	7,040	3,891	4,143	4,353	4,893
South Dakota	4,452	4,371	4,499	4,765	4,452	4,371	4,499	4,765
Nebraska	9,796	10,671	11,064	12,845	8,700	9,357	9,797	11,423
Kansas	20,059	21,710	21,757	23,897	17,340	19,067	19,227	21,197
West North Central	194,723	202,853	208,278	223,906	167,785	175,447	180,343	194,677
Delaware	8,701	8,815	8,611	8,983	8,114	8,204	7,866	8,146
Maryland	21,375	22,148	22,697	23,670	20,201	20,974	21,746	22,726
District of Columbia	196	237	311	1,724	196	237	311	1,724
Virginia	32,663	34,652	36,470	38,677	32,663	34,652	36,470	38,677
West Virginia	10,338	10,980	10,545	10,964	10,027	10,692	10,250	10,670
North Carolina	30,436	34,541	32,169	38,986	30,158	34,225	31,888	38,697
South Carolina	7,589	8,533	8,502	9,674	7,520	8,448	8,441	9,590
Georgia	26,168	32,053	32,062	41,902	25,662	31,578	31,510	41,327
Florida	11,471	12,582	13,375	14,252	11,407	12,455	13,269	14,124
South Atlantic	148,937	164,541	164,742	188,832	145,948	161,465	161,751	185,681
Kentucky	52,354	54,547	53,944	57,209	50,757	52,936	52,303	55,500
Tennessee	34,679	36,574	37,321	41,917	34,333	36,209	36,971	41,541
Alabama	16,930	18,243	18,332	20,089	16,930	18,243	18,332	20,089
Mississippi	17,473	21,518	19,984	23,515	17,422	21,363	19,815	23,342
East South Central	121,436	130,882	129,581	142,730	119,442	128,751	127,421	140,472
Arkansas	13,576	15,656	15,436	18,225	13,402	15,513	15,300	18,162
Louisiana	16,155	17,279	17,610	20,612	16,140	17,265	17,604	20,600
Oklahoma	11,398	12,271	13,028	16,581	11,269	12,088	12,824	16,430
Texas	32,054	32,710	33,463	37,168	31,326	31,989	32,884	36,407
West South Central	73,183	77,916	79,537	92,586	72,137	76,855	78,612	91,599
Montana	2,645	2,734	3,067	3,323	2,645	2,734	3,067	3,323
Idaho	3,243	3,790	3,713	4,098	3,243	3,790	3,713	4,098
Wyoming	1,876	1,793	1,853	1,974	1,876	1,793	1,853	1,974
Colorado	5,849	6,103	6,492	7,054	5,848	6,103	6,492	7,054
New Mexico	2,505	2,923	2,993	3,158	2,505	2,923	2,993	3,158
Arizona	2,317	2,321	2,635	2,844	2,303	2,306	2,615	2,828
Utah	7,054	7,500	7,351	8,176	7,054	7,500	7,351	8,176
Nevada	832	843	807	882	832	843	807	882
Mountain	26,321	28,007	28,911	31,509	26,306	27,992	28,891	31,493
Washington	14,981	15,414	15,789	16,969	14,599	15,028	15,482	16,649
Oregon	11,040	11,555	12,035	15,660	11,040	11,555	12,035	15,660
California	90,446	92,832	92,086	99,208	90,423	92,813	92,070	99,208
Pacific	116,467	119,801	119,910	131,837	116,062	119,396	119,587	131,517
United States	1,131,214	1,190,121	1,210,676	1,318,770	1,059,846	1,117,039	1,136,388	1,241,079
Possessions 5/	3,443	4,514	3,968	3,045	2,378	3,630	2,916	2,243

1/ Loans are classified according to location of bank and, therefore, are not strictly comparable by States with data for other lenders, which are classified according to location of mortgaged farms.
2/ Includes national and State commercial, mutual and stock savings, and private banks.
3/ Data for 1935 and subsequent intervening years available in earlier issues of the Agricultural Finance Review.
4/ Includes soil and water conservation loans insured by the Farmers Home Administration.
5/ Alaska, Guam, Hawaii, Puerto Rico, and Virgin Islands.

Federal Deposit Insurance Corporation.

Table 5.- Farmers Home Administration: Number and amount of loans outstanding, by types and by States, July 1, 1955

State and division	Loans to individuals												Loans to co-operatives 5/	Total loans
	Farm ownership 1/		Farm housing		Operating: Production and sub-sistence 2/		Operating: Emergency 4/		Operating: Special livestock		Operating: Emergency crop and feed			
	Borrowers	Amount	Borrowers	Amount	Borrowers 3/	Amount	Borrowers 3/	Amount	Borrowers 3/	Amount	Borrowers 3/	Amount		
	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	1,000 dollars	1,000 dollars
Maine	157	966	229	827	1,614	3,936	747	2,192	0	0	196	59	0	7,980
New Hampshire	28	204	14	55	351	1,203	3	17	4	3	18	3	0	1,485
Vermont	103	663	16	54	365	1,098	16	67	4	3	21	4	0	1,889
Massachusetts	48	351	16	83	172	436	23	144	5	10	10	2	0	1,026
Rhode Island	4	29	2	5	35	82	4	5	0	0	1	6/	0	121
Connecticut	22	195	25	104	148	410	6	10	0	0	22	5	0	724
New England	362	2,408	302	1,128	2,685	7,165	799	2,435	13	16	268	73	0	13,225
New York	392	2,159	144	736	2,955	9,008	55	261	34	30	155	32	7	12,233
New Jersey	164	1,343	136	644	1,325	3,033	177	393	30	38	129	25	301	5,777
Pennsylvania	509	2,705	290	1,217	2,863	7,617	29	10	62	79	185	34	0	11,662
Middle Atlantic	1,065	6,207	570	2,597	7,143	19,658	261	664	126	147	469	91	308	29,672
Ohio	529	3,584	144	625	2,676	5,854	23	15	6	8	110	21	8	10,115
Indiana	448	3,308	253	1,234	2,665	6,393	25	16	3	8	173	25	0	10,984
Illinois	429	3,030	276	1,005	3,851	9,222	443	423	0	0	146	29	0	13,709
Michigan	423	2,780	381	1,617	4,512	9,797	165	314	1	6	539	79	0	14,593
Wisconsin	790	4,391	262	1,108	4,177	9,147	177	180	1	1	1,244	194	0	14,961
East North Central	2,619	17,093	1,316	5,589	17,881	40,413	833	888	11	23	2,212	348	8	64,362
Minnesota	1,195	6,381	275	1,025	4,273	11,798	741	653	2	9	1,190	316	15	20,197
Iowa	595	5,493	319	1,378	2,995	8,505	24	24	0	0	18	6	15	15,421
Missouri	1,606	9,987	766	2,593	6,396	12,447	5,406	5,984	482	900	909	138	0	32,049
North Dakota	373	3,180	187	1,081	4,470	10,463	5,751	4,421	4	6	5,265	3,103	147	22,401
South Dakota	307	2,971	209	1,032	6,694	12,223	1,214	911	49	748	4,306	2,322	0	20,207
Nebraska	415	4,030	289	1,232	2,922	8,387	26	24	5	116	478	167	98	14,054
Kansas	652	5,284	223	1,181	4,478	10,295	1,628	2,638	98	1,205	2,033	703	49	21,349
West North Central	5,143	37,326	2,268	9,522	32,228	74,118	14,790	14,649	640	2,984	14,199	6,755	324	185,678
Delaware	35	204	4	16	214	298	6	10	0	0	83	15	0	543
Maryland	181	1,152	122	627	1,967	3,047	43	85	1	1	633	123	0	5,035
Virginia	499	2,996	312	1,830	3,633	3,940	484	503	49	113	1,373	195	82	9,659
West Virginia	369	1,948	231	1,268	1,875	3,489	12	20	30	13	152	15	0	6,753
North Carolina	1,545	7,886	684	3,403	7,945	10,886	4,408	4,059	3	4	677	74	403	26,715
South Carolina	1,416	5,543	565	2,942	9,074	7,629	4,350	3,347	1	10	2,308	247	43	19,761
Georgia	2,384	10,135	1,018	4,409	9,029	11,645	2,587	3,423	32	173	2,175	220	175	30,180
Florida	384	2,243	311	1,654	4,648	5,783	153	706	38	329	1,240	207	174	11,096
South Atlantic	6,813	32,107	3,247	16,149	38,385	46,717	12,043	12,153	154	643	8,641	1,096	877	109,742
Kentucky	425	2,904	396	1,881	4,802	6,258	1,193	598	27	47	201	26	0	11,714
Tennessee	1,028	5,457	512	2,394	4,094	4,750	1,795	1,161	27	26	768	63	0	13,851
Alabama	2,168	9,672	921	4,331	8,621	9,354	2,413	1,741	23	127	739	93	320	25,638
Mississippi	3,280	16,867	1,019	3,774	12,108	13,483	3,988	4,045	4	22	1,509	166	9	38,366
East South Central	6,901	34,900	2,848	12,380	29,625	33,845	9,389	7,545	81	222	3,217	348	329	89,569
Arkansas	2,130	8,689	858	2,438	9,274	12,918	5,919	7,315	301	466	2,623	275	322	32,423
Louisiana	1,263	5,856	577	2,505	6,866	8,422	1,887	1,714	7	53	2,656	324	355	19,229
Oklahoma	1,351	7,624	824	3,769	9,713	18,510	3,648	3,076	208	2,168	1,088	154	10	35,311
Texas	2,075	13,943	986	5,058	19,894	33,503	18,678	34,096	888	10,928	6,738	1,399	265	99,192
West South Central	6,819	36,112	3,245	13,770	45,747	73,353	30,132	46,201	1,404	13,615	13,105	2,152	952	186,155
Montana	328	2,254	160	904	3,288	10,124	107	253	113	2,408	2,690	1,362	1,176	18,481
Idaho	538	5,621	295	1,652	3,488	10,567	74	448	17	534	243	83	524	19,429
Wyoming	216	2,112	113	617	2,054	6,443	103	233	30	562	584	241	180	10,388
Colorado	210	2,087	189	1,031	4,323	10,744	1,249	2,808	220	3,153	1,701	521	857	21,201
New Mexico	171	1,867	201	1,079	3,224	7,375	1,051	2,065	281	3,773	979	301	330	16,810
Arizona	78	1,032	77	534	1,002	3,510	51	137	14	326	141	33	251	5,823
Utah	288	2,898	242	1,292	1,843	4,409	35	148	31	534	152	41	990	10,312
Nevada	41	440	22	149	231	661	27	141	32	888	16	5	405	2,689
Mountain	1,870	18,331	1,299	7,258	19,453	53,833	2,697	6,233	738	12,178	6,506	2,587	4,713	105,133
Washington	417	5,193	187	1,164	4,171	9,224	110	229	1	44	2,056	856	1,611	18,321
Oregon	244	2,461	172	1,022	1,954	4,319	88	216	11	246	568	167	503	8,934
California	185	1,788	358	2,094	3,867	8,602	257	679	11	237	876	247	297	13,944
Pacific	846	9,442	717	4,280	9,992	22,145	455	1,124	23	527	3,500	1,270	2,411	41,199
United States	32,438	193,926	15,812	72,673	203,139	371,247	71,399	91,892	3,190	30,355	52,117	14,720	9,922	784,735
Possessions 7/	612	2,974	361	1,784	3,544	4,792	6	6	6	36	91	32	132	9,756

1/ As of April 1, 1955. On July 1, 1955, farm-ownership loans outstanding in continental United States totaled $196,668,882, and in possessions $3,077,432. Includes tenant-purchase, farm-enlargement, farm-development, building-improvement, and project-liquidation loans and any such loans from State Corporation trust funds. Excludes insured loans.

2/ Also includes rural rehabilitation, soil and water conservation, construction, and wartime adjustment loans, and any such loans from State Corporation trust funds. Excludes soil and water conservation insured loans.

3/ Some duplication of borrowers exists if more than one type of loan was made to a single borrower.

4/ In addition to production emergency, economic emergency, and special emergency, includes fur, orchard, flood-damage, and flood- and windstorm-restoration loans, and loans made through RACC and transferred to FHA April 16, 1949, for liquidation.

5/ Excludes soil and water conservation insured loans to associations.

6/ Less than $500.

7/ Alaska, Hawaii, Puerto Rico, and Virgin Islands.

Table 6.- Federal land banks and Federal Farm Mortgage Corporation: Loans outstanding, principal repayments, other deductions, and loans closed, United States, 1935-55 1/

FEDERAL LAND BANKS

Year and quarter	Loans outstanding at beginning of year or quarter	Decreases in loans: Principal repayments 2/ 3/	Decreases in loans: Other deductions (net) 3/ 4/	Decreases in loans: Total	Loans closed 2/	Net change in outstanding loans	Loans outstanding at end of year or quarter
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1935	1,915,792	41,991	50,547	92,538	248,671	156,133	2,071,925
1936	2,071,925	51,592	65,345	116,937	109,170	-7,767	2,064,158
1937	2,064,158	67,380	24,563	91,943	63,092	-28,851	2,035,307
1938	2,035,307	69,586	34,916	104,502	51,419	-53,083	1,982,224
1939	1,982,224	92,450	36,701	129,151	51,582	-77,569	1,904,655
1940	1,904,655	97,413	20,299	117,712	64,275	-53,437	1,851,218
1941	1,851,218	128,704	23,184	151,888	65,068	-86,820	1,764,398
1942	1,764,398	196,898	18,628	215,526	53,974	-161,552	1,602,846
1943	1,602,846	294,099	12,710	306,809	61,900	-244,909	1,357,937
1944	1,357,937	275,722	15,562	291,284	70,275	-221,009	1,136,928
1945	1,136,928	221,624	18,209	239,833	130,492	-109,341	1,027,587
1946	1,027,587	225,305	26,748	252,053	168,887	-83,166	944,421
1947	944,421	190,234	31,207	221,441	146,445	-74,996	869,425
1948	869,425	114,381	52,448	166,829	153,977	-12,852	856,573
1949	856,573	65,713	76,115	141,828	184,730	42,902	899,475
1950	899,475	72,714	87,211	159,925	206,919	46,994	946,469
1951	946,469	71,199	92,780	163,979	215,083	51,104	997,573
1952	997,573	67,892	106,699	174,591	255,511	80,920	1,078,493
1953	1,078,493	69,603	119,161	188,764	290,160	101,396	1,179,889
1954:	1,179,889	74,302	131,047	205,349	306,404	101,055	1,280,944
Jan.-Mar.	1,179,889	22,217	32,742	54,959	87,429	32,470	1,212,359
Apr.-June	1,212,359	16,681	29,751	46,432	75,731	29,299	1,241,658
July-Sept.	1,241,658	15,423	26,807	42,230	61,921	19,691	1,261,349
Oct.-Dec.	1,261,349	19,981	41,747	61,728	81,323	19,595	1,280,944
1955:							
Jan.-Mar.	1,280,944	22,478	51,431	73,909	128,865	54,956	1,335,900
Apr.-June	1,335,900	17,966	51,137	69,103	141,424	72,321	1,408,221

FEDERAL FARM MORTGAGE CORPORATION 5/

1935	616,825	11,955	6,540	18,495	196,396	177,901	794,726
1936	794,726	23,556	11,650	35,206	77,258	42,052	836,778
1937	836,778	46,513	17,536	64,049	40,020	-24,029	812,749
1938	812,749	57,824	31,469	89,293	29,395	-59,898	752,851
1939	752,851	64,005	25,383	89,388	27,417	-61,971	690,880
1940	690,880	61,183	18,065	79,248	36,664	-42,584	648,296
1941	648,296	76,373	12,653	89,026	37,532	-51,494	596,802
1942	596,802	106,113	7,026	113,139	28,534	-84,605	512,197
1943	512,197	133,021	3,483	136,504	30,497	-106,007	406,190
1944	406,190	108,007	3,500	111,507	35,017	-76,490	329,700
1945	329,700	127,348	3,417	130,765	29,462	-101,303	228,397
1946	228,397	101,278	2,027	103,305	15,035	-88,270	140,127
1947	140,127	45,970	1,568	47,538	6/ 10,606	-36,932	103,195
1948	103,195	22,769	5,206	27,975	6/ 17	-27,958	75,237
1949	75,237	11,145	7,385	18,530	6/ 19	-18,511	56,726
1950	56,726	8,194	5,941	14,135	6/ 25	-14,110	42,616
1951	42,616	5,994	4,797	10,791	6/ 57	-10,734	31,882
1952	31,882	4,808	3,741	8,549	6/ 41	-8,508	23,374
1953	23,374	3,103	3,046	6,149	6/ 40	-6,109	17,265
1954:	17,265	2,291	2,455	4,746	6/ 31	-4,715	12,550
Jan.-Mar.	17,265	665	611	1,276	6/ 16	-1,260	16,005
Apr.-June	16,005	611	555	1,166	6/ 9	-1,157	14,848
July-Sept.	14,848	434	509	943	6/ 4	-939	13,909
Oct.-Dec.	13,909	581	780	1,361	6/ 2	-1,359	12,550
1955:							
Jan.-Mar.	12,550	506	471	977	6/ 3	-974	11,576
Apr.-June	11,576	11,143	436	11,579	3	-11,576	------

1/ Excludes purchase-money mortgages and sales contracts. Includes Puerto Rico. 2/ "Principal repayments" to the Federal Farm Mortgage Corporation include loans taken over by the Federal land banks, which loans in turn are included in "loans closed" by the land banks. 3/ Beginning July 1948, "principal repayments" includ. repayments of unmatured principal only; repayments of matured principal are included in "other deductions." 4/ Includes foreclosures, voluntary deeds, and loans in process of foreclosure, less increases in loans by reason of reamortizations, and reinstatements. 5/ Loans of the Federal Farm Mortgage Corporation were made on its behalf by the Land Bank Commissioner. Authority to make new loans expired July 1, 1947. On June 30, 1955 loans of the Federal Farm Mortgage Corporation were sold to the 12 Federal land banks. 6/ Loans closed after July 1, 1947, represent refinancing of existing loans.

Farm Credit Administration.

Table 7.- Federal land banks and Federal Farm Mortgage Corporation: Number of loans with extensions or delinquent installments as percentage of number outstanding, by States, January 1, selected years 1930-55

State and division	Federal land banks									Federal Farm Mortgage Corporation 1/							
	1930	1940	1945	1950	1951	1952	1953	1954	1955	1940	1945	1950	1951	1952	1953	1954	1955
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Maine	4.6	43.5	10.9	7.3	13.2	2/	2/	2/	2/	54.9	13.9	11.8	22.4	2/	2/	2/	2/
New Hampshire	.6	10.9	4.7	5.5	6.3	2/	2/	2/	2/	21.2	9.6	14.6	9.6	2/	2/	2/	2/
Vermont	7.5	18.9	7.1	11.0	11.9	2/	2/	2/	2/	27.9	9.2	19.5	22.3	2/	2/	2/	2/
Massachusetts	1.6	11.6	4.6	4.9	4.6	2/	2/	2/	2/	22.4	8.3	9.5	8.2	2/	2/	2/	2/
Rhode Island	0	14.0	5.4	3.7	2.0	2/	2/	2/	2/	24.3	10.6	5.9	1.8	2/	2/	2/	2/
Connecticut	1.5	11.6	4.0	4.6	5.0	2/	2/	2/	2/	19.7	6.6	8.7	7.3	2/	2/	2/	2/
New England	3.6	21.2	6.1	6.6	7.8	2/	2/	2/	2/	31.3	9.3	11.9	13.4	2/	2/	2/	2/
New York	4.6	17.8	5.5	5.5	5.8	2/	2/	2/	2/	25.0	7.7	9.7	9.0	2/	2/	2/	2/
New Jersey	3.6	15.2	4.6	6.1	4.8	2/	2/	2/	2/	25.8	6.5	10.8	8.7	2/	2/	2/	2/
Pennsylvania	6.1	10.7	9.6	4.7	4.8	3.5	3.7	3.6	4.8	12.8	7.4	9.0	10.3	8.1	8.2	6.6	7.4
Middle Atlantic	5.1	15.0	6.6	5.3	5.4	1.0	1.1	1.1	1.4	21.0	7.4	9.8	9.2	1.4	1.3	1.1	1.3
Ohio	.9	8.6	3.3	2.5	3.2	2.7	2.3	2.5	2.8	13.5	4.4	7.1	9.1	8.8	8.9	7.1	8.3
Indiana	1.5	7.3	1.8	2.2	2.4	2.2	2.0	1.8	2.1	9.1	2.2	5.3	4.4	4.5	4.8	3.8	3.9
Illinois	2.9	7.5	2.3	2.7	2.6	2.9	2.2	2.5	3.0	11.4	3.2	6.6	7.0	7.7	7.6	6.9	8.1
Michigan	7.4	13.6	5.3	5.7	6.0	5.3	4.8	4.8	5.8	19.3	6.6	13.3	10.2	9.9	9.4	9.7	12.7
Wisconsin	7.8	27.5	5.9	6.7	7.1	6.2	5.9	6.3	7.4	40.2	10.4	16.5	13.7	11.5	11.6	12.1	13.5
East North Central	3.9	12.9	3.8	4.1	4.4	4.0	3.6	3.8	4.5	20.6	5.9	11.8	10.2	9.5	9.5	9.6	11.3
Minnesota	6.5	20.7	6.2	4.9	5.0	4.7	4.5	4.3	5.0	31.1	9.8	10.0	8.7	8.2	8.5	7.7	8.2
Iowa	1.2	13.8	3.8	2.1	1.5	1.9	1.3	1.0	1.4	17.4	6.1	5.8	5.8	8.2	5.4	4.4	3.9
Missouri	12.6	12.5	4.1	2.5	2.4	2.4	2.5	3.4	3.7	14.8	3.4	3.8	3.9	3.5	4.3	5.2	5.6
North Dakota	9.3	72.8	11.4	6.3	5.6	5.0	6.4	4.3	8.6	86.3	18.7	10.4	6.6	6.7	9.9	10.0	10.1
South Dakota	3.9	40.1	8.4	2.4	2.5	2.7	3.6	3.9	4.7	50.8	12.5	6.4	6.5	5.7	8.8	8.8	9.9
Nebraska	2.4	43.5	14.2	2.6	1.9	2.2	1.5	2.0	2.1	53.3	20.2	5.3	4.1	5.7	3.8	4.1	6.4
Kansas	3.8	37.4	5.5	3.8	2.2	4.6	4.2	5.0	5.0	50.7	7.8	10.2	8.2	10.4	10.7	12.2	12.0
West North Central	4.2	32.5	7.4	3.3	2.8	3.2	3.0	3.2	3.9	42.5	10.7	7.9	6.5	7.0	7.5	7.6	8.0
Delaware	3.6	8.6	2.8	1.1	0	0	.5	.5	3.1	14.3	3.6	0	0	2.4	0	0	0
Maryland	4.2	12.7	5.3	4.0	3.1	2.8	3.3	3.3	4.0	19.1	5.8	7.4	9.3	7.9	8.8	9.3	6.2
Virginia	5.1	11.8	8.2	5.6	4.4	3.7	3.9	5.3	4.7	17.7	7.3	8.5	8.0	6.6	5.3	8.9	8.4
West Virginia	4.8	9.4	5.0	5.4	5.4	4.5	4.5	4.8	6.5	13.4	6.1	8.4	8.5	7.0	6.8	8.0	8.5
North Carolina	8.3	25.6	11.8	12.4	11.2	8.9	10.6	12.7	10.9	29.6	10.9	19.6	18.9	16.5	18.4	18.7	20.7
South Carolina	20.6	35.5	14.8	19.6	17.5	12.7	14.7	14.5	15.2	36.9	15.6	30.6	28.3	21.3	21.9	22.0	24.0
Georgia	10.2	35.7	12.0	15.3	13.8	11.4	13.4	12.9	16.8	32.9	10.8	22.6	21.1	17.4	19.1	18.6	21.7
Florida	6.4	29.1	5.7	5.9	6.0	5.4	5.6	5.6	6.2	14.7	5.4	11.0	11.4	9.3	9.2	7.5	8.7
South Atlantic	8.9	24.7	10.2	12.2	11.1	8.9	10.3	10.9	11.9	27.9	10.5	20.0	19.0	15.4	16.4	16.2	18.1
Kentucky	2.0	13.5	4.5	4.2	4.3	3.5	4.2	5.4	5.6	18.0	5.2	8.1	7.0	6.4	8.1	5.3	9.4
Tennessee	1.6	9.9	4.6	5.7	6.1	5.6	6.7	6.8	6.4	13.5	4.7	7.4	10.3	9.5	8.6	7.0	8.1
Alabama	12.7	32.0	10.0	13.1	13.9	10.0	10.2	10.5	12.2	44.8	10.2	20.6	21.3	14.8	13.5	15.5	18.1
Mississippi	11.9	33.7	11.6	18.0	14.3	11.7	10.2	10.4	12.7	48.5	11.1	29.9	23.3	18.6	14.7	15.5	20.3
East South Central	9.1	23.9	8.3	12.4	11.6	9.1	8.9	9.3	10.7	31.4	8.2	19.5	17.9	13.9	12.6	13.2	16.4
Arkansas	3.3	8.4	4.5	5.1	5.1	5.2	5.2	4.1	6.3	9.9	4.2	8.3	8.1	8.6	6.1	7.6	9.3
Louisiana	11.5	25.7	12.7	13.3	11.9	11.3	9.9	10.5	11.3	31.4	12.8	19.6	18.2	15.8	13.2	14.6	19.2
Oklahoma	6.9	18.1	6.4	3.5	4.1	3.4	4.5	5.1	5.3	27.9	8.2	6.2	8.3	6.7	7.6	8.6	9.3
Texas	.7	18.7	2.5	3/ .1	3/ .1	3/ .2	3/ .1	3/ .1	3/ .1	17.5	4.6	3.1	3.7	4.3	5.4	7.1	6.1
West South Central	3.2	18.3	4.2	2.5	2.5	2.4	2.3	2.3	2.6	20.2	5.9	6.0	6.6	6.4	6.6	8.1	8.1
Montana	9.3	34.6	9.6	10.5	9.6	8.6	8.5	8.8	8.0	37.0	8.7	16.6	16.2	13.4	12.8	12.8	11.9
Idaho	6.7	20.5	5.9	10.2	8.9	5.7	6.0	7.5	5.7	27.5	7.9	14.8	14.5	9.6	10.2	10.7	9.0
Wyoming	3.0	23.5	10.1	6.4	5.3	4.8	6.2	6.4	5.9	31.7	13.5	12.8	9.5	8.5	8.2	13.3	9.0
Colorado	5.6	28.1	11.2	6.9	6.9	6.8	8.6	10.0	11.1	35.0	12.3	10.9	12.6	10.3	13.3	14.0	15.2
New Mexico	5.2	12.9	7.3	4.7	5.9	6.9	7.6	13.7	10.6	20.1	8.0	8.1	10.8	15.4	14.1	16.1	13.8
Arizona	1.9	22.0	8.0	8.9	6.9	8.0	4.5	4.9	3.7	21.6	7.6	13.4	9.5	9.3	9.6	5.4	7.0
Utah	4.1	29.5	7.1	6.8	3.9	3.3	5.0	5.0	3.6	39.2	9.9	11.7	9.5	6.2	11.5	9.3	7.9
Nevada	2.0	24.2	9.4	2.4	1.9	3.7	.5	2.6	3.7	23.7	8.8	6.9	8.9	2.8	3.6	4.2	5.3
Mountain	5.9	25.1	8.6	8.0	7.2	6.3	6.9	8.2	7.4	32.3	10.0	13.0	12.7	10.4	11.5	11.6	10.5
Washington	6.8	15.5	5.8	11.5	9.0	6.3	6.6	6.7	5.9	21.7	6.2	15.9	16.2	12.7	12.5	11.6	9.0
Oregon	6.4	17.7	4.4	8.1	8.2	6.2	6.8	8.7	7.3	22.2	5.7	10.7	10.9	9.1	9.4	11.4	10.1
California	1.4	21.4	3.2	5.2	3.4	2.9	2.4	2.9	2.7	27.3	4.5	10.4	7.2	6.8	6.0	5.5	5.3
Pacific	5.1	18.8	4.2	7.4	5.8	4.5	4.4	5.1	4.5	25.4	5.0	11.4	9.4	8.3	7.8	7.7	6.9
United States	5.5	22.5	6.3	5.9	5.6	4.5	4.6	4.9	5.4	29.7	8.3	11.9	10.9	8.7	8.9	9.2	9.9

1/ Loans held by the Federal Farm Mortgage Corporation were made on its behalf by the Land Bank Commissioner.
2/ Liability for delinquent items billed to borrowers was assumed by the national farm loan associations.
3/ Delinquent items billed to borrowers were, with few exceptions, paid by the national farm loan associations.

Farm Credit Administration.

Table 8.- Farm-mortgage loans made or recorded by principal lenders, United States, 1910-55 1/

Period	Total, all lenders	Loans made 2/				Mortgages recorded 6/		
		Federal land banks	Federal Farm Mortgage Corporation 3/	Joint-stock land banks 4/	Farmers Home Administration 5/	Insurance companies 7/	Commercial and savings banks	Individuals and miscellaneous
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1910	1,249,885	---	---	---	---	105,359	207,734	936,792
1911	1,326,774	---	---	---	---	121,335	234,544	970,895
1912	1,373,337	---	---	---	---	143,758	252,073	977,506
1913	1,401,103	---	---	---	---	110,527	252,445	1,038,131
1914	1,397,497	---	---	---	---	120,461	270,357	1,006,699
1915	1,437,746	---	---	---	---	184,234	313,707	989,755
1916	1,837,273	---	---	---	---	235,051	454,716	1,147,506
1917	2,006,151	39,112	---	1,890	---	259,595	404,213	1,301,241
1918	1,951,702	118,130	---	6,600	---	161,520	316,764	1,348,688
1919	2,943,845	148,937	---	53,030	---	214,159	540,463	1,991,206
1920	3,625,780	66,985	---	19,324	---	386,788	663,202	2,489,481
1921	2,578,656	71,030	---	9,335	---	292,792	654,521	1,530,978
1922	2,505,986	224,301	---	138,685	---	340,932	578,067	1,224,001
1923	2,493,734	190,271	---	189,748	---	451,579	540,458	1,115,678
1924	2,072,970	162,475	---	74,587	---	346,110	475,654	1,014,144
1925	2,180,184	124,809	---	131,431	---	347,625	475,991	1,100,328
1926	2,033,061	128,978	---	123,026	---	335,128	433,362	1,012,567
1927	1,775,579	138,424	---	83,719	---	250,529	397,286	905,621
1928	1,664,802	100,615	---	40,572	---	223,185	398,167	902,263
1929	1,402,692	83,006	---	18,186	---	203,346	343,532	834,624
1930	1,304,625	47,146	---	5,236	---	173,665	355,232	783,346
1931	1,179,938	41,814	---	5,407	---	127,509	327,594	697,614
1932	903,341	27,516	---	2,181	---	74,760	263,336	535,548
1933	822,976	151,585	70,812	739	---	46,002	167,109	386,729
1934	1,820,374	730,134	553,048	---	---	53,422	130,583	353,187
1935	1,061,693	247,610	195,369	---	---	78,033	176,496	363,685
1936	802,394	108,602	76,887	---	---	114,905	186,109	315,891
1937	757,728	62,831	39,707	---	---	128,164	212,801	314,225
1938	723,189	51,237	29,152	---	10,218	137,353	209,925	285,304
1939	729,008	51,461	27,230	---	26,255	137,915	217,821	268,326
1940	772,462	63,926	36,391	---	39,060	145,483	219,835	267,767
1941	833,996	64,726	37,308	---	59,595	160,395	221,310	290,662
1942	762,813	53,599	28,242	---	34,910	154,497	191,023	300,542
1943	915,803	61,232	30,077	---	31,897	167,038	233,074	392,485
1944	970,974	69,418	34,469	---	36,317	160,688	255,343	414,739
1945	1,054,430	91,389	28,692	---	16,571	145,121	312,780	459,377
1946	1,436,208	128,572	14,611	---	47,303	199,752	521,872	574,098
1947	1,440,140	137,282	10,345	---	26,086	230,751	487,092	548,584
1948	1,427,045	148,574	17	---	18,816	258,928	436,395	564,315
1949	1,408,540	180,624	19	---	15,143	276,766	396,466	539,522
1950	1,655,895	203,129	25	---	42,836	347,680	471,599	590,626
1951	1,770,248	211,378	57	---	45,283	381,297	458,422	673,811
1952	1,777,619	251,592	41	---	47,706	345,404	483,677	649,199
1953	1,853,627	280,106	40	---	30,186	394,146	483,990	659,159
1954	1,835,499	301,748	31	---	22,429	390,153	500,060	670,858
Jan.-June	1,017,770	161,011	25	---	10,687	213,672	262,102	370,273
July-Dec.	867,729	140,937	6	---	11,742	176,481	237,978	300,585
1955:								
Jan.-June	1,312,267	257,874	6	---	6,892	285,525	320,256	441,664

1/ Excludes Territories and possessions.

2/ Amounts are those reported by Farm Credit Administration and Farmers Home Administration, except that amounts for joint-stock land banks for 1917-20 were partially estimated by the former Bureau of Agricultural Economics. Data are for loans on regular mortgages only, excluding purchase-money mortgages and sales contracts.

3/ Loans were made on Corporation's behalf by Land Bank Commissioner. Authority to make new loans, except those incidental to liquidation, expired July 1, 1947.

4/ Also includes joint-stock land banks in receivership. Active banks were place in liquidation May 12, 1933. Loans made thereafter incidental to liquidation are included with those recorded by "miscellaneous" lenders.

5/ Includes only tenant-purchase loans, 1938-40; farm-development (special real estate) loans beginning 1941; farm-enlargement loans beginning 1943; project-liquidation loans beginning 1944; farm-housing loans November 1949 through June 30, 1954; and building improvement loans beginning October 1954. Also includes similar loans from State Corporation trust funds. Some project-liquidation loans made in 1943, for which separate data are not available are included in 1944. A few farm-housing loans made in 1949 are included with those made in 1950. Figures represent amounts "advanced" for project-liquidation loans and amounts "obligated" for all other types of loans. Excludes insured loans.

6/ Amounts for 1910-33 are estimates of the former Bureau of Agricultural Economics, those for 1936 to date of the Farm Credit Administration, and those for 1934-35 of both organizations jointly. Data include regular mortgages, purchase-money mortgages, and sales contracts.

7/ Excludes mortgages recorded in New England States; these have been too few to classify separately and they are included with "individuals and miscellaneous" lenders.

Table 9.- Farm-mortgage interest charges: Total and amount per acre, United States, 1910-55 1/

Year	Total interest charges	Interest charges per acre 2/		Year	Total interest charges	Interest charges per acre 2/	
		Amount	Index (1910-14=100)			Amount	Index (1910-14=100)
	1,000 dollars	Cents			1,000 dollars	Cents	
1910	203,188	23.0	83	1932	525,760	51.5	185
1911	225,351	25.3	91	1933	472,283	45.7	164
1912	251,745	28.0	101	1934	430,420	41.1	147
1913	276,294	30.5	109				
1914	296,236	32.4	116	1935	396,092	37.6	135
				1936	364,474	34.8	125
1915	314,255	34.1	122	1937	340,730	32.6	117
1916	340,532	36.7	132	1938	320,094	30.8	110
1917	378,309	40.4	145	1939	305,449	29.5	106
1918	417,932	44.2	159				
1919	476,312	50.0	180	1940	293,147	28.3	102
				1941	284,451	27.3	98
1920	574,090	60.3	216	1942	272,089	26.1	94
1921	652,656	69.0	248	1943	246,119	23.5	84
1922	679,904	72.3	260	1944	230,367	21.9	79
1923	679,220	72.7	261				
1924	646,838	69.7	250	1945	221,243	20.9	75
				1946	218,807	20.7	74
1925	611,612	65.7	236	1947	224,925	21.2	76
1926	598,244	63.4	228	1948	232,477	21.8	78
1927	593,006	62.1	223	1949	243,161	22.8	82
1928	589,530	60.9	219				
1929	581,999	59.4	213	1950	263,897	24.7	89
				1951	290,955	27.2	98
1930	569,756	57.3	206	1952	318,756	29.8	107
1931	553,008	54.9	197	1953	347,424	32.5	117
				1954	376,085	35.2	126
				1955 3/	406,000	38.0	136

1/ Estimated as payable during calendar year. Excludes amounts paid by Secretary of the Treasury to Federal land banks, 1933-44, and Federal Farm Mortgage Corporation, 1937-45, as reimbursement for interest reductions granted borrowers.
2/ Based on census figures for acreage in all farms, whether mortgaged or free of debt, except for 1935 to date when public and Indian lands are excluded. Acreage for the midpoint of each year is determined by a straight-line interpolation between quinquennial censuses.
3/ Preliminary.

Table 10.- Farm-mortgage interest charges, by geographic divisions, selected years 1910-54 1/

Year	United States	New England	Middle Atlantic	East North Central	West North Central	South Atlantic	East South Central	West South Central	Mountain	Pacific
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1910	203,188	3,992	14,715	46,373	77,492	8,910	8,052	21,358	8,666	13,630
1920	574,090	6,800	23,842	104,405	231,070	29,142	25,430	61,596	47,178	44,627
1930	569,756	10,086	26,866	107,039	198,084	31,974	25,961	72,072	38,991	58,963
1935	396,092	9,338	22,269	78,630	134,923	21,894	18,758	47,081	25,014	38,185
1940	293,147	7,181	17,909	62,260	90,704	19,199	18,236	31,754	16,769	29,135
1941	284,451	6,819	17,228	60,226	87,883	19,048	18,098	31,314	16,116	27,721
1942	272,089	6,425	16,543	57,139	84,811	18,471	17,396	30,308	15,038	26,158
1943	246,119	5,939	15,340	50,832	77,042	17,085	15,940	27,188	13,311	23,742
1944	230,367	5,651	14,359	46,834	71,483	16,322	14,711	25,914	12,531	22,762
1945	221,243	5,575	13,869	44,328	66,379	16,291	14,521	24,574	12,688	23,018
1946	218,807	5,739	14,325	43,061	60,630	17,624	15,190	24,477	13,376	24,365
1947	224,925	6,112	15,380	43,867	57,020	19,565	16,170	25,524	14,917	26,370
1948	232,477	6,393	16,233	45,449	54,768	20,884	16,876	26,622	16,743	28,509
1949	243,161	6,575	16,872	47,774	55,273	21,302	17,596	28,196	18,571	31,002
1950	263,897	6,889	17,622	51,187	58,706	23,522	19,308	32,394	21,135	34,134
1951	290,955	7,264	18,801	54,967	62,934	27,932	21,492	35,407	23,991	38,267
1952	318,756	7,719	20,363	58,851	66,774	32,119	23,612	39,425	26,969	43,224
1953	347,424	8,240	22,202	62,671	70,455	36,114	25,773	43,912	29,940	48,117
1954	376,085	8,707	24,289	66,596	74,557	39,994	28,036	47,944	33,095	52,367

1/ Estimated as payable during calendar year. Excludes amounts paid by Secretary of the Treasury to Federal land banks, 1933-44, and Federal Farm Mortgage Corporation, 1937-45, as reimbursement for interest reductions granted borrowers.

Table 11.- Farm real estate not under contract of sale held by selected lending agencies, United States, January 1, 1930-55

Year	Federal land banks 1/	Federal Farm Mortgage Corporation 1/		Life insurance companies 2/	Joint-stock land banks 3/	Insured commercial banks 4/	Three State credit agencies 5/
		Excluding prior liens	Including prior liens				
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1930	29,517	----------	----------	107,058	19,685	6/	26,860
1931	36,865	----------	----------	123,403	22,202	6/	33,511
1932	53,588	----------	----------	190,694	37,957	6/	39,008
1933	83,158	----------	----------	287,773	71,741	6/	47,454
1934	96,632	----------	----------	428,331	85,740	6/	56,094
1935	96,655	11	11	558,211	81,700	6/	60,270
1936	119,409	455	455	588,761	78,204	7/ 74,166	61,531
1937	128,893	5,861	10,449	634,005	72,781	69,525	68,444
1938	117,932	14,106	21,686	612,120	62,030	56,311	72,040
1939	115,345	23,884	34,558	607,358	53,885	49,143	71,846
1940	125,800	29,437	40,378	599,653	46,827	42,045	68,324
1941	109,066	25,113	32,780	547,637	36,172	33,373	60,900
1942	73,600	18,217	23,614	441,772	25,130	22,841	53,498
1943	40,435	14,322	19,909	336,233	18,306	8/ 19,532	44,145
1944	16,779	9,067	12,615	205,410	6,605	6/	36,159
1945	6,680	4,314	6,039	119,752	4,201	6/	32,691
1946	1,916	1,451	2,111	80,046	1,601	6/	3,619
1947	487	542	790	33,229	463	6/	6/
1948	171	162	269	13,418	154	6/	6/
1949	76	30	6/	5,464	3	6/	6/
1950	85	45	6/	2,187	9/	6/	6/
1951	47	53	6/	1,041	0	6/	6/
1952	59	28	6/	746	0	6/	6/
1953	80	26	6/	1,612	0	6/	6/
1954	103	11	6/	2,518	0	9/	6/
1955	74	23	6/	3,282	0	9/	6/

1/ Investment. Also includes sheriffs' certificates and judgments.
2/ Book value. Partially estimated.
3/ Carrying value. Also includes sheriffs' certificates and judgments. Real estate held by banks in receivership included at book value.
4/ Book value.
5/ Investment. Department of Rural Credit of Minnesota, Bank of North Dakota, and Rural Credit Board of South Dakota. The large reduction during 1945 reflects a charge-off of approximately $27,000,000 of cumulated losses by the Rural Credit Board of South Dakota upon completion of liquidation.
6/ Data unavailable.
7/ July 1.
8/ July 1, 1942.
9/ Less than $500.

Table 12.- Farm real estate acquired and held by Federal land banks and Federal Farm Mortgage Corporation, United States, 1930-54 1/

Year	Acquired during year 2/				Held as of December 31			
	Federal land banks		Federal Farm Mortgage Corporation		Federal land banks		Federal Farm Mortgage Corporation	
	Number	Investment	Number	Investment 3/	Number	Investment	Number	Investment 3/
	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars
1930	4,318	17,177	----------	----------	8,516	36,865	----------	----------
1931	7,036	27,320	----------	----------	12,609	53,588	----------	----------
1932	10,102	43,045	----------	----------	18,449	83,158	----------	----------
1933	6,488	26,941	----------	----------	21,895	96,632	----------	----------
1934	4,766	16,067	2	5	22,918	96,655	2	11
1935	11,459	43,219	252	486	27,465	119,409	236	455
1936	12,510	49,730	2,624	5,809	28,954	128,893	2,379	5,861
1937	8,586	32,676	4,396	10,469	25,776	117,932	5,107	14,106
1938	7,186	29,233	6,576	17,267	23,974	115,345	8,245	23,884
1939	10,236	44,654	7,679	22,177	25,774	125,800	9,625	29,437
1940	5,242	23,029	3,790	12,626	21,337	109,066	7,503	25,113
1941	4,129	17,592	3,201	10,191	14,578	73,600	5,204	18,217
1942	3,067	12,968	3,245	10,994	8,322	40,435	4,056	14,322
1943	1,294	6,036	1,946	7,249	3,625	16,779	2,423	9,067
1944	513	2,331	758	2,958	1,423	6,680	1,120	4,314
1945	243	1,040	311	1,143	397	1,916	305	1,451
1946	73	280	149	587	105	487	144	542
1947	34	127	33	91	47	171	45	162
1948	18	60	10	40	24	76	13	30
1949	12	61	19	27	20	85	21	45
1950	14	35	13	28	20	47	16	53
1951	17	34	10	14	20	59	15	28
1952	17	77	12	18	27	80	10	26
1953	27	91	7	13	34	103	8	11
1954	24	68	11	22	26	74	11	23

1/ Also includes sheriffs' certificates and judgments. Excludes Puerto Rico except for acquisition by Federal land banks during years 1931-34.
2/ Excludes reacquirements.
3/ Excludes prior liens.

Table 13.- Non-real-estate loans to farmers: Amounts held by principal lending institutions, United States, specified dates, 1915-55 1/

Date	All operating banks		Agencies supervised by Farm Credit Administration				Farmers Home Administration				Commodity Credit Corporation		Total including loans held and guaranteed by Commodity Credit Corporation 2/ 8/
			Production credit associations 3/		Federal intermediate credit banks 4/								
	Excluding loans guaranteed by Commodity Credit Corporation	Including loans guaranteed by Commodity Credit Corporation 2/	Excluding loans guaranteed by Commodity Credit Corporation	Including loans guaranteed by Commodity Credit Corporation 2/	Excluding loans guaranteed by Commodity Credit Corporation	Including loans guaranteed by Commodity Credit Corporation 2/	Production and subsistence loans 5/	Production and economic emergency loans 6/	Emergency crop and feed loans 7/	Total excluding loans guaranteed by Commodity Credit Corporation	Loans held 8/	Loans guaranteed 2/ 9/	
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1915:													
January 1	1,605,958									1,605,958			
1920:													
January 1	3,453,794									10/ 3,455,253			
1921:													
January 1	3,869,891								11/ 3,104	10/ 3,873,788			
1925:													
January 1	2,674,237				18,760				11/ 2,513	10/ 2,713,162			
1930:													
January 1	2,490,742				47,283				11/ 7,976	2,546,001			
1935:													
January 1	627,878	840,887	60,459	60,459	55,083	55,083	12/ 5,600	87,087	111,238	947,345	37,162	213,009	1,197,516
July 1	670,877	805,292	106,402	106,402	57,705	57,705	12/ 47,249	72,759	198,240	1,153,232	151,735	134,415	1,439,382
1936:													
January 1	735,257	743,731	93,400	93,400	46,518	46,518	12/ 62,900	43,394	172,470	1,153,939	271,219	8,474	1,433,632
July 1	690,335	692,238	139,062	139,062	53,959	53,959	12/ 128,691	36,080	176,415	1,224,462	236,268	1,903	1,462,633
1937:													
January 1	680,866	680,980	104,481	104,481	40,508	40,508	12/ 131,600	25,282	164,762	1,087,499	204,511	54	1,292,064
July 1	757,883	757,926	159,363	159,363	47,306	47,306	12/ 171,394	22,908	189,186	1,348,040	116,827	43	1,464,910
1938:													
January 1	682,545	821,935	136,918	136,918	39,974	39,974	118,017	15,588	171,983	1,165,025	173,134	139,390	1,477,549
July 1	827,715	971,805	183,296	183,296	42,703	42,703	164,656	14,788	184,656	1,417,814	288,913	144,090	1,790,817
1939:													
January 1	788,716	1,109,489	146,825	146,825	38,612	38,612	169,148	11,080	170,992	1,319,333	308,990	320,773	1,949,096
July 1	841,343	1,234,265	186,945	186,945	39,794	39,794	242,714	10,234	179,812	1,500,842	330,097	392,322	2,223,261
1940:													
January 1	900,079	1,134,573	153,425	153,425	38,316	38,316	242,452	8,005	167,795	1,504,072	208,193	237,065	1,949,330
July 1	1,000,329	1,228,153	199,219	199,219	40,033	40,033	290,690	7,758	180,798	1,718,837	150,183	227,856	2,096,876
1941:													
January 1	983,774	1,326,120	170,686	178,866	32,371	33,116	286,930	5,854	167,862	1,647,477	252,287	377,175	2,276,939
July 1	1,093,786	1,204,146	219,903	221,788	42,041	42,106	338,421	6,058	178,818	1,879,527	214,854	115,036	2,209,517
1942:													
January 1	1,073,198	1,497,205	185,611	201,589	37,382	37,939	317,473	5,531	163,792	1,782,389	133,018	477,136	2,393,143
July 1	1,054,897	1,203,578	245,846	250,460	45,263	45,615	403,597	4,249	176,062	1,929,914	159,585	165,545	2,255,044
1943:													
January 1	924,236	1,490,908	182,658	205,873	37,854	38,182	367,945	3,991	155,456	1,672,140	104,366	668,315	2,444,821
July 1	982,701	1,330,261	254,841	266,134	39,708	40,518	383,988	53,754	164,948	1,879,880	57,968	411,996	2,349,842
1944:													
January 1	935,764	1,328,480	196,637	210,232	33,882	34,137	342,798	32,751	146,181	1,688,013	93,104	496,079	2,277,196
July 1	1,002,167	1,268,774	266,396	274,147	34,816	35,316	343,611	22,362	156,187	1,825,539	70,537	350,608	2,256,764
1945:													
January 1	948,829	1,377,405	188,306	203,794	29,798	29,966	303,050	13,618	138,068	1,621,563	146,670	536,022	2,304,255
July 1	1,068,479	1,268,387	262,781	266,693	29,566	29,658	311,153	10,876	145,908	1,828,763	46,016	257,503	2,132,282
1946:													
January 1	1,033,800	1,177,042	194,788	201,135	26,487	26,487	279,175	7,388	128,901	1,670,539	98,304	178,089	1,947,532
July 1	1,300,807	1,302,712	300,365	300,649	33,515	33,515	315,395	5,335	135,259	2,090,996	32,990	6,766	2,130,458
1947:													
January 1	1,289,105	1,333,048	230,025	238,321	31,701	31,701	282,381	3,695	116,733	1,953,540	7,246	57,698	2,018,514
July 1	1,567,213	1,589,353	357,263	357,654	38,330	38,330	310,304	3,055	110,814	2,387,499	10,701	23,066	2,421,266
1948:													
January 1	1,598,762	1,660,930	289,077	292,560	37,316	37,316	264,379	2,634	105,313	2,293,181	2,493	81,046	2,376,720
July 1	2,012,248	2,034,173	459,343	459,478	56,493	56,493	267,046	2,300	98,487	2,895,917	2,494	22,527	2,920,938
1949:													
January 1	1,945,598	2,861,174	366,822	367,699	55,750	55,790	252,512	3,073	90,040	2,713,803	235,215	916,453	3,865,471
July 1	2,268,528	2,817,594	522,810	522,856	61,019	61,019	274,271	4,090	81,505	3,212,823	332,950	549,112	4,094,885
1950:													
January 1	2,048,819	3,052,339	387,454	387,547	50,825	50,825	267,160	12,771	71,186	2,838,215	719,677	1,003,613	4,561,505
July 1	2,413,262	2,897,646	526,573	526,585	57,739	57,739	278,684	37,184	61,098	3,374,540	347,159	404,396	4,200,095
1951:													
January 1	2,524,153	2,906,115	450,673	450,710	62,073	62,073	259,585	22,544	53,263	3,372,311	434,531	381,999	4,188,841
July 1	3,069,140	3,123,715	676,923	676,923	87,567	87,567	274,367	32,525	44,908	4,185,430	173,823	54,575	4,413,828
1952:													
January 1	3,120,196	3,409,878	561,371	561,445	77,841	77,841	253,189	20,110	38,191	4,070,898	306,563	289,756	4,667,217
July 1	3,575,886	3,653,374	791,159	791,165	90,852	90,852	268,758	43,138	32,526	4,828,309	121,013	77,654	5,026,976
1953:													
January 1	3,195,058	3,920,621	599,295	599,364	82,931	82,931	291,375	28,739	27,919	4,225,317	467,676	725,632	5,418,625
July 1	3,379,413	3,676,956	761,342	761,372	85,783	85,783	319,506	50,497	23,952	4,920,493	557,691	297,573	5,401,757
1954:													
January 1	2,762,562	4,489,965	541,786	541,793	63,557	63,557	318,938	30,792	19,980	3,757,581	673,478	1,727,410	6,158,463
July 1	3,201,903	3,793,860	730,597	730,639	67,757	67,757	304,900	106,154	18,135	4,489,446	293,562	591,999	5,375,007
1955:													
January 1	2,933,851	4,892,779	576,997	595,789	58,276	58,276	346,286	70,532	16,327	4,002,269	537,327	1,377,720	6,517,316
July 1	3,506,336	3,676,719	794,877	790,120	72,458	72,458	371,247	122,247	14,780	4,981,985	131,429	171,526	5,284,940

1/ Excludes Territories and possessions.
2/ Beginning 1942, includes certificates of interest in pool of Commodity Credit Corporation cotton loans. Beginning 1954, also includes certificates of interest issued to commercial banks on commodities other than cotton, except certificates which were reported by Commodity Credit Corporation as based on pooled loans to cooperatives. On July 1, 1955, such certificates on cooperative loans totaled $715,934,000.
3/ Includes loans of associations in liquidation.
4/ Loans to and discounts for livestock loan companies and agricultural credit corporations.
5/ Also includes rural-rehabilitation, soil and water conservation, construction, and wartime-adjustment loans, and such loans made from Stabilization Corporation trust funds except for January 1, 1938, through January 1, 1942.
6/ Formerly called disaster loans. Includes production emergency (beginning 1949), economic emergency and special livestock (beginning 1954), flood-damage, fur, orchard, and flood and windstorm-restoration loans, and loans made by the regional agricultural credit corporations before their dissolution in 1949.
7/ Includes seed, feed, crop-production, drought-relief, and orchard-rehabilitation loans. These are in liquidation.
8/ Includes non-real-estate loans for storage facilities and equipment held by Commodity Credit Corporation. First made in 1949, these loans totaled $29,403,000 on July 1, 1955. Excludes pooled loans against which certificates of interest were issued.
9/ Includes some loans to farmers by cooperative marketing associations not shown separately. Otherwise, represents total of guaranteed loans and certificates of interest included in preceding columns.
10/ Includes loans of War Finance Corporation.
11/ July 1 of previous year.
12/ Cumulative amounts obligated. Data for amounts held unavailable.

Table 14.- Loans to farmers' cooperative organizations: Amounts held by selected lending agencies, United States, 1930-55 1/

Beginning of year or month	Agencies supervised by Farm Credit Administration			Rural Electrification Administration		Farmers Home Administration 2/	Commodity Credit Corporation
	Federal intermediate credit banks	Banks for cooperatives	Agricultural Marketing Act revolving fund	Electrification loans	Telephone loans		
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1930	26,073		14,510				
1931	64,377		136,698				
1932	45,177		156,280				
1933	9,866		158,885				
1934	15,211	18,697	157,752				
1935	33,969	27,851	54,863				0
1936	2,731	50,013	44,433			3/	0
1937	1,641	69,647	53,754	10		3/	0
1938	1,813	87,633	30,982	2,456		3/	7,532
1939	980	87,496	23,783	30,015		3,668	9,676
1940	1,835	76,252	20,547	79,350		4,023	49,499
1941	1,490	74,741	16,461	169,122		6,721	26,845
1942	2,152	4/ 150,038	16,914	232,006		9,978	27,931
1943	2,000	3/ 222,744	12,551	304,407		20,114	14,369
1944	2,000	3/ 254,318	7,351	328,235		28,490	10,325
1945	700	3/ 214,278	3,067	331,518		28,912	3,655
1946	2,042	3/ 157,680	2,693	345,688		25,150	1,552
1947	4,151	3/ 212,564	2,232	391,137		17,233	737
1948	4,000	3/ 274,943	2,603	509,604		12,218	645
1949	4,709	304,684	1,315	709,428		10,229	177,317
1950	2,400	301,887	1,365	963,814		8,847	354,542
1951	3,233	344,978	1,309	1,252,648		8,574	224,535
1952	4,000	423,952	1,451	1,483,953		8,336	128,893
1953	2,000	418,504	905	1,669,592	1,128	8,161	303,333
1954:				1,820,005	10,105	8,058	316,368
January	500	372,110	0	1,955,186	25,313	8,579	142,963
April	1,000	348,501	0	3/	3/	3/	3/
July	0	303,965	0	2,003,084	34,024	9,022	65,321
October	1,000	337,732	0	3/	3/	3/	3/
1955:							
January	2,200	361,615	0	2,037,704	47,706	9,703	95,178
April	3,796	335,030	0	3/	3/	3/	3/
July	2,000	316,795	0	2,073,890	60,515	10,054	816,120

1/ Includes Territories and possessions. 2/ Also includes loans to defense relocation corporations and water-facility associations and similar loans from State Corporation trust funds. 3/ Data unavailable. 4/ Also includes loans and advances under Commodity Credit Corporation programs, except advances on wool in which farmers had no beneficial interest.

Table 15.- Interest rates charged on new loans by agencies of the Farm Credit Administration and by the Farmers Home Administration, December 31, selected years, 1940-54

Agency and type of loan	1940	1942	1944	1946	1948	1950	1951	1952	1953	1954
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Farm Credit Administration 1/										
Real estate loans:										
Federal land banks:										
National farm loan associations:										
Contract rate	4	4	4	4	4 - 4 1/2	4 - 4 1/2	4 - 5	4 - 5	4 - 5	4 - 5
Reduced rate 2/	3 1/2	3 1/2	—	—	—	—	—	—	—	—
Direct:										
Contract rate	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	—	—	—	—	—
Reduced rate 2/	4	4	—	—	—	—	—	—	—	—
Land Bank Commissioner: 3/										
Contract rate	5	5	5	5	—	—	—	—	—	—
Reduced rate 2/	3 1/2	3 1/2	4	—	—	—	—	—	—	—
Non-real-estate loans:										
Production credit associations	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2 - 6	4 1/2 - 6	5 - 6 1/2	5 - 6 3/4	5 - 6 3/4	4 3/4 - 6
Federal intermediate credit banks	1 1/2	1 1/2	1 1/2	1 1/2	2	2	2 1/2-2 3/4	2 5/8-2 3/4	2 3/4-3	1 3/4 - 2
Banks for cooperatives:										
Loans secured by Commodity Credit Corporation documents	—	—	1	1	2 1/4	2 1/4	2 1/2-2 3/4	2 1/2 - 3	2 3/4-3 1/4	2 3/4
Commodity loans	1 1/2	1 1/2	1 1/2	1 1/2	2 1/4	2 1/4	2 1/2-2 3/4	2 1/2 - 3	2 3/4-3 1/4	2 3/4
Operating capital loans	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 - 3 1/4	3 - 3 1/2	3 - 3 1/2	3 - 3 1/4
Facility loans	4	3 1/2	4	3 1/2	4	4	4 - 4 1/2	4 - 4 1/2	4 - 4 1/2	4 - 4 1/2
Emergency crop and feed loans 4/ 5/	4	4	4	—	—	—	—	—	—	—
Regional agricultural credit corporations: 6/										
Regular loans	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	—	—	—	—	—
Special loans 7/	—	5 1/2	5 - 5 1/2	5 - 5 1/2	5 1/2	—	—	—	—	—
Agricultural Marketing Act revolving fund:										
Operating capital loans	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2 - 3	3	3	3	—	—
Facility loans	4	3 1/2	4	3 1/2	4	4	4	4	—	—
Farmers Home Administration 5/ 6/										
Real estate loans:										
Farm ownership 8/	3	3	3	3 1/2	4	4	4	4	4	4 1/2
Farm housing 9/	—	—	—	—	—	4	4	4	4	—
Flood and windstorm 10/	—	—	3 1/2	—	—	—	—	—	—	—
Non-real-estate loans:										
Production and subsistence 11/	5	5	5	5	5	5	5	5	5	5
Soil and water conservation 12/	3	3	3	3	3	3	3	3	3	4 1/2
Emergency	—	—	—	—	—	3	3	3	3	3
Special livestock	—	—	—	—	—	—	—	—	5	5
Fur	—	—	—	—	—	3	5	5	5	5
Orchard 13/	—	—	—	—	—	5	5	5	5	—
Flood 14/	—	—	—	—	3	—	—	—	—	—
Flood and windstorm 10/	—	—	5	—	—	—	—	—	—	—
Rural rehabilitation cooperative associations 15/	3	3	—	—	—	—	—	—	—	—

1/ Rates shown are for continental United States only. In general, the rates in Puerto Rico have been one-half of 1 percent higher than the rates charged in the United States by the Farm Credit Administration institutions in the Farm Credit District of Baltimore. 2/ Reduced rates were in effect on Federal land-bank loans between July 11, 1933, and July 1, 1944, and on Land Bank Commissioner loans between July 22, 1937, and July 1, 1945. 3/ Land Bank Commissioner loans were made on behalf of the Federal Farm Mortgage Corporation. Authority to make new loans expired July 1, 1947. 4/ 1942 also includes orchard-rehabilitation loans. 5/ On November 1, 1946, emergency crop and feed, drought-relief, and orchard-rehabilitation loans were transferred to the Farmers Home Administration for servicing and liquidation. 6/ On April 16, 1949, the Regional Agricultural Credit Corporation of Washington, D. C., was dissolved and its assets were transferred to the Farmers Home Administration. 7/ Includes Wenatchee fruit loans beginning 1941, food-production loans and restricted-area loans beginning 1943. 8/ Since October 1947, these rates also apply to loans made by private lenders and insured by Farmers Home Administration and include 1 percent mortgage insurance charge. 9/ These loans were made from November 1949 through June 30, 1954. 10/ These loans were first made in 1943 and were discontinued on June 30, 1946. 11/ Before November 1, 1946, these were known as rural rehabilitation loans. 12/ Prior to September 17, 1954, these loans were known as water facilities loans. Loans are made to either individuals or associations. The rate as of December 31, 1954, applies to direct and insured loans; it includes the 1-percent mortgage insurance charge on the insured loans. 13/ These loans were made from 1950 through June 30, 1954. 14/ These loans were first made in 1948 and were discontinued on June 30, 1950. 15/ Some of these loans, which were discontinued on June 30, 1943, were also made as real estate loans.

Farm Credit Administration and Farmers Home Administration.

Table 16.- Non-real-estate loans to farmers: Amounts held by all operating banks and by insured commercial banks, by States, July 1, 1954, and 1955 1/

State and division	All operating banks				Insured commercial banks			
	Including loans guaranteed by Commodity Credit Corporation 2/		Excluding loans guaranteed by Commodity Credit Corporation		Including loans guaranteed by Commodity Credit Corporation 2/		Excluding loans guaranteed by Commodity Credit Corporation	
	July 1, 1954	July 1, 1955	July 1, 1954	July 1, 1955	July 1, 1954	July 1, 1955	July 1, 1954	July 1, 1955
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	10,309	8,945	9,772	8,543	10,093	8,661	9,556	8,259
New Hampshire	3,334	3,469	2,997	3,159	3,088	3,263	2,751	2,953
Vermont	12,953	13,460	12,310	13,165	11,479	11,960	10,836	11,665
Massachusetts	24,378	23,564	8,880	10,599	24,378	23,564	8,880	10,599
Rhode Island	1,576	1,700	1,526	1,548	1,421	1,541	1,371	1,389
Connecticut	9,501	8,759	7,014	6,912	9,328	8,579	6,841	6,732
New England	62,051	59,897	42,499	43,926	59,787	57,568	40,235	41,597
New York	244,690	112,578	83,751	86,754	244,689	112,577	83,750	86,753
New Jersey	24,182	18,843	14,317	15,247	24,182	18,843	14,317	15,247
Pennsylvania	88,616	81,017	60,828	65,125	88,566	80,971	60,778	65,079
Middle Atlantic	357,488	212,438	158,896	167,126	357,437	212,391	158,845	167,079
Ohio	125,675	106,640	77,388	85,427	125,024	105,957	76,737	84,744
Indiana	111,983	119,720	85,342	98,440	111,605	119,197	84,964	97,917
Illinois	424,434	371,571	179,214	214,099	423,289	371,537	178,734	214,065
Michigan	87,374	82,829	68,905	75,849	87,126	82,640	68,657	75,660
Wisconsin	98,479	104,776	90,975	88,155	97,998	104,289	80,494	87,668
East North Central	847,945	785,536	491,824	561,970	845,042	783,620	489,586	560,054
Minnesota	231,844	197,218	145,430	164,216	230,864	196,260	144,765	163,492
Iowa	443,616	383,748	233,270	299,761	416,410	360,526	220,223	283,076
Missouri	211,840	173,691	131,975	148,251	210,449	172,304	130,653	146,866
North Dakota	51,905	55,076	47,632	51,797	50,718	53,897	46,457	50,633
South Dakota	103,301	89,773	69,316	77,080	103,301	89,773	69,316	77,080
Nebraska	227,893	223,332	153,432	187,306	219,881	216,178	147,832	181,301
Kansas	189,822	180,825	170,420	170,985	159,540	157,245	142,159	148,896
West North Central	1,460,221	1,303,663	951,475	1,099,396	1,391,163	1,246,183	901,405	1,051,344
Delaware	4,101	3,215	3,901	3,115	4,101	3,215	3,901	3,115
Maryland	14,499	14,660	12,933	14,054	14,499	14,660	12,933	14,054
District of Columbia	4,885	2,763	130	13	4,885	2,763	130	13
Virginia	52,836	51,886	44,953	47,377	52,836	51,886	44,953	47,377
West Virginia	9,416	7,494	6,921	7,094	9,416	7,494	6,921	7,094
North Carolina	73,474	65,536	56,384	61,938	73,005	64,786	56,384	61,938
South Carolina	43,711	28,941	20,965	21,383	43,579	28,862	20,882	21,306
Georgia	105,191	67,538	54,385	55,482	104,630	66,815	53,825	54,831
Florida	22,924	22,872	19,448	20,598	22,717	22,648	19,241	20,374
South Atlantic	331,037	264,905	220,020	231,054	329,668	263,129	219,170	230,102
Kentucky	62,789	59,937	57,118	58,748	62,613	59,663	56,942	58,474
Tennessee	119,596	80,564	59,680	63,268	118,390	79,553	59,013	62,668
Alabama	86,993	63,747	53,786	55,255	88,993	63,747	53,786	55,255
Mississippi	97,272	63,416	41,856	41,538	96,618	62,937	41,656	41,326
East South Central	368,650	267,664	212,440	218,809	366,614	265,900	211,397	217,723
Arkansas	116,270	83,137	58,690	60,739	115,781	82,941	58,201	60,543
Louisiana	65,523	39,682	29,009	28,797	65,181	39,430	28,870	28,649
Oklahoma	138,776	103,860	87,570	91,912	137,852	103,028	86,866	91,137
Texas	592,327	414,737	295,013	303,549	585,402	408,786	289,035	298,100
West South Central	912,896	641,416	470,282	484,997	904,216	634,185	462,972	478,429
Montana	49,487	55,278	45,722	53,430	49,487	55,278	45,722	53,430
Idaho	43,632	45,340	41,744	44,669	43,632	45,340	41,744	44,669
Wyoming	29,791	30,917	27,894	29,998	29,791	30,917	27,894	29,998
Colorado	104,400	109,388	95,850	102,748	104,351	109,323	95,801	102,683
New Mexico	37,997	38,431	26,820	28,367	37,997	38,431	26,820	28,367
Arizona	47,501	60,918	37,256	43,084	47,501	60,918	37,256	43,084
Utah	31,409	30,925	25,611	28,965	31,409	30,925	25,611	28,965
Nevada	9,115	7,673	7,077	5,835	9,115	7,673	7,077	5,835
Mountain	353,332	378,870	307,974	337,096	353,283	378,805	307,925	337,031
Washington	60,497	63,001	54,322	59,509	60,209	62,057	54,034	59,192
Oregon	59,409	43,549	38,379	42,849	59,191	43,424	38,358	42,849
California	331,610	371,714	253,792	259,604	330,302	371,714	253,792	259,604
Pacific	451,516	478,264	346,493	361,962	449,702	477,195	346,184	361,645
United States	5,145,136	4,392,653	3,201,903	3,506,336	5,056,912	4,318,976	3,137,719	3,445,004
Possessions 3/	23,984	24,575	23,458	24,325	17,214	19,542	17,184	19,292

1/ Loans are classified according to location of bank and, therefore, are not strictly comparable by States with data for other lenders which are classified according to location of security or borrower.

2/ Also includes certificates of interest in pool of Commodity Credit Corporation loans. $1,351,276,000 and $715,934,000 of the certificates held on July 1, 1954, and July 1, 1955, respectively, were reported by CCC as based on pooled loans to cooperatives.

3/ Alaska, Hawaii, Mariana Islands, Puerto Rico, and Virgin Islands.

Federal Deposit Insurance Corporation.

Table 17.- Non-real-estate loans to farmers: Amounts held by production credit associations, and by private financing institutions discounting with Federal intermediate credit banks, by States, January 1, and July 1, 1954-55 1/

State and division	Production credit associations 2/				Private financing institutions 3/			
	1954		1955		1954		1955	
	January 1	July 1	January 1	July 1	January 1	July 1	January 1	July 1
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	3,185	3,859	5,050	4,159	482	907	1,462	866
New Hampshire	576	587	556	534	0	0	0	0
Vermont	4,864	4,829	4,830	4,997	0	0	0	0
Massachusetts	1,798	2,234	2,184	2,326	144	166	144	59
Rhode Island	377	511	469	679	0	0	0	0
Connecticut	2,611	2,520	2,659	2,635	0	0	0	0
New England	13,411	14,540	15,748	15,330	626	1,073	1,606	925
New York	22,973	26,297	24,238	28,013	0	0	0	0
New Jersey	3,032	4,661	3,646	4,665	50	183	134	178
Pennsylvania	12,231	13,328	13,039	14,367	0	0	0	0
Middle Atlantic	38,236	44,286	40,923	47,045	50	183	134	178
Ohio	25,600	30,038	30,188	34,555	1,782	1,853	1,484	1,672
Indiana	21,516	28,677	26,530	34,233	473	292	711	361
Illinois	26,265	30,985	33,030	38,123	1,276	1,011	1,076	959
Michigan	8,103	9,191	8,554	9,675	0	0	5	1
Wisconsin	15,581	16,328	16,044	17,632	3,393	3,192	3,152	3,271
East North Central	97,065	115,219	114,346	134,218	6,924	6,348	6,428	6,264
Minnesota	14,566	15,837	16,593	18,535	1,828	1,907	1,840	2,150
Iowa	14,187	16,426	18,777	21,536	924	714	796	1,015
Missouri	16,718	21,749	17,576	25,891	342	278	335	334
North Dakota	5,926	7,083	5,774	7,915	1,192	1,310	1,022	1,231
South Dakota	9,245	10,233	10,025	11,567	970	794	681	863
Nebraska	11,617	13,392	14,630	18,085	371	188	353	365
Kansas	10,756	10,920	10,770	12,696	209	135	251	172
West North Central	83,015	95,640	94,145	116,225	5,786	5,326	5,278	6,130
Delaware	1,472	1,904	1,623	2,237	0	0	0	0
Maryland	7,867	8,919	8,368	9,387	0	0	0	0
District of Columbia	0	0	0	0	0	0	0	0
Virginia	8,610	10,868	7,964	10,903	0	0	0	0
West Virginia	2,061	2,218	1,906	2,199	0	0	0	0
North Carolina	9,126	24,722	9,500	30,563	0	886	0	838
South Carolina	7,204	17,256	8,371	17,849	0	47	0	45
Georgia	14,186	27,539	15,039	27,530	27	63	32	38
Florida	15,810	13,022	16,503	12,488	790	0	570	0
South Atlantic	66,336	110,448	69,272	113,156	817	996	602	921
Kentucky	13,154	14,353	12,469	15,252	33	3	26	10
Tennessee	10,222	13,144	10,513	14,298	848	1,258	287	880
Alabama	6,379	11,289	6,878	11,656	933	946	855	831
Mississippi	11,695	30,879	12,336	31,890	3,799	6,854	3,592	6,499
East South Central	41,450	69,665	42,196	73,096	5,613	9,061	4,760	8,220
Arkansas	8,739	24,725	7,131	22,831	596	1,177	735	1,168
Louisiana	9,338	21,836	12,227	21,727	288	1,452	582	1,351
Oklahoma	11,404	12,403	11,665	13,697	3,156	3,014	2,374	3,043
Texas	59,426	78,870	56,837	81,220	17,745	17,283	16,805	17,711
West South Central	88,907	137,834	87,860	139,475	21,785	22,926	20,496	23,273
Montana	17,086	22,280	15,000	23,020	324	578	506	766
Idaho	14,086	17,875	13,917	19,660	173	175	155	212
Wyoming	7,191	7,569	6,451	7,756	2,037	2,063	2,037	2,487
Colorado	15,723	18,206	16,276	20,256	2,535	2,004	2,180	2,561
New Mexico	5,636	7,047	5,531	8,470	1,285	1,559	1,560	1,950
Arizona	3,212	3,561	2,812	4,393	3,091	4,687	2,022	5,266
Utah	6,175	6,140	5,965	6,363	3,442	3,077	2,724	3,065
Nevada	1,870	2,161	2,231	2,486	910	1,266	1,067	1,388
Mountain	70,981	84,841	68,183	92,404	13,797	15,409	12,251	18,695
Washington	5,191	7,816	5,155	9,264	952	286	753	359
Oregon	14,496	17,283	13,913	18,192	226	269	624	15
California	22,898	32,925	25,056	36,532	6,981	6,280	5,344	7,478
Pacific	42,585	58,024	44,124	63,928	8,159	6,835	6,721	7,852
United States	541,786	730,597	576,997	794,877	63,557	67,757	58,276	72,458
Puerto Rico	8,630	9,436	10,228	9,329	5,616	168	2,318	953

1/ Excludes loans guaranteed by the Commodity Credit Corporation.

2/ Includes all loans (except CCC-guaranteed loans) of production credit associations, whether or not discounted with Federal intermediate credit banks.

3/ Loans from and discounts with Federal intermediate credit banks by livestock loan companies and agricultural credit corporations. These loans and discounts represent practically all their loans to farmers.

Farm Credit Administration.

Table 18.- Farmers Home Administration: Outstanding operating loans to individuals, by types and by States, as of specified dates, 1954-55

State and division	Production and subsistence 1/			Production and economic emergency 2/			Emergency crop and feed 3/		
	1954	1955		1954	1955		1954	1955	
	Jan. 1	Jan. 1	July 1	Jan. 1	Jan. 1	July 1	Jan. 1	Jan. 1	July 1
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	3,376	5,422	3,936	105	140	2,192	68	62	59
New Hampshire	1,052	1,130	1,203	5	9	20	4	4	3
Vermont	1,198	1,179	1,098	101	80	70	5	4	4
Massachusetts	308	368	436	121	146	154	2	3	2
Rhode Island	72	78	82	16	6	5	1	4/	4/
Connecticut	317	355	410	10	7	10	6	6	5
New England	6,323	8,532	7,165	358	388	2,451	86	79	73
New York	7,687	8,760	9,008	273	266	291	51	38	32
New Jersey	2,251	2,702	3,033	178	265	431	31	27	25
Pennsylvania	6,213	7,430	7,617	53	97	89	46	36	34
Middle Atlantic	16,151	18,892	19,658	504	628	811	128	101	91
Ohio	5,472	5,524	5,854	16	36	23	27	21	21
Indiana	4,872	5,556	6,393	28	107	24	33	26	25
Illinois	7,101	8,270	9,222	73	214	423	43	32	29
Michigan	8,105	9,552	9,797	334	286	320	102	90	79
Wisconsin	8,111	8,730	9,147	237	147	121	276	216	194
East North Central	33,661	37,632	40,413	688	790	911	481	385	348
Minnesota	10,489	11,054	11,798	69	66	662	487	350	316
Iowa	6,579	8,065	8,505	14	20	24	9	7	6
Missouri	9,779	10,889	12,447	4,188	4,557	6,884	166	146	138
North Dakota	7,674	9,210	10,463	201	335	4,427	4,686	3,580	3,103
South Dakota	9,937	11,207	12,223	539	874	1,659	3,062	2,624	2,322
Nebraska	6,611	7,493	8,387	45	114	140	235	188	167
Kansas	7,832	9,222	10,295	1,212	2,731	3,837	873	762	703
West North Central	58,901	67,540	74,118	6,268	8,897	17,633	9,518	7,657	6,755
Delaware	275	292	298	1	8	10	18	16	15
Maryland	2,607	2,932	3,047	19	70	86	149	130	123
District of Columbia	0	0	0	0	0	0	0	0	0
Virginia	3,103	3,300	3,940	400	471	616	302	223	195
West Virginia	2,975	3,252	3,489	32	41	33	22	18	15
North Carolina	7,989	8,545	10,886	464	608	4,063	116	79	74
South Carolina	6,478	6,724	7,629	619	1,190	3,357	329	275	247
Georgia	9,994	10,325	11,645	750	947	3,596	336	259	220
Florida	5,319	5,478	5,783	998	1,580	1,035	282	234	207
South Atlantic	38,740	40,848	46,717	3,283	4,915	12,796	1,554	1,234	1,096
Kentucky	5,938	6,043	6,258	338	838	645	33	28	26
Tennessee	4,200	4,366	4,750	560	589	1,187	113	78	63
Alabama	7,524	7,576	9,354	434	562	1,868	127	105	93
Mississippi	11,881	12,461	13,483	1,966	1,868	4,067	226	199	166
East South Central	29,543	30,446	33,845	3,348	3,857	7,767	499	410	348
Arkansas	12,009	11,755	12,918	2,548	3,152	7,781	558	352	275
Louisiana	6,969	7,415	8,422	449	408	1,767	439	356	324
Oklahoma	18,508	18,060	18,510	3,218	4,197	5,244	195	164	154
Texas	32,450	34,728	33,503	19,160	27,559	45,024	1,713	1,501	1,399
West South Central	69,936	71,958	73,353	25,375	35,316	59,816	2,905	2,373	2,152
Montana	8,771	9,081	10,124	1,280	2,359	2,661	1,723	1,452	1,362
Idaho	7,810	9,479	10,567	454	684	982	97	88	83
Wyoming	5,979	5,931	6,443	598	528	795	276	249	241
Colorado	9,698	9,973	10,744	3,282	4,324	5,961	599	544	521
New Mexico	6,331	6,852	7,375	1,982	4,501	5,838	356	316	301
Arizona	2,308	3,156	3,510	307	480	463	48	37	33
Utah	3,997	4,241	4,409	514	627	682	65	42	41
Nevada	725	684	661	704	724	1,029	6	5	5
Mountain	45,619	49,397	53,833	9,121	14,227	18,411	3,170	2,733	2,587
Washington	8,158	8,557	9,224	507	295	273	1,064	900	856
Oregon	4,077	3,908	4,319	241	372	462	246	192	167
California	7,829	8,576	8,602	1,099	1,047	916	295	263	247
Pacific	20,064	21,041	22,145	1,847	1,714	1,651	1,605	1,355	1,270
United States	318,938	346,286	371,247	50,792	70,532	122,247	19,946	16,327	14,720
Possessions 5/	3,193	3,814	4,792	19	55	42	30	32	32

1/ Also includes water-facilities, soil and water conservation, rural-rehabilitation, construction and wartime-adjustment loans, and such loans from State Corporation trust funds.

2/ Includes production emergency, economic emergency, special emergency, special livestock, fur, orchard, flood damage, flood and wind-storm restoration loans, and loans formerly made by the Regional Agricultural Credit Corporation.

3/ Includes seed, feed, crop-production, drought-relief, and orchard-rehabilitation loans (in liquidation).

4/ Less than $500.

5/ Alaska, Hawaii, Puerto Rico, and Virgin Islands.

Farmers Home Administration.

Table 19.- Commodity Credit Corporation: Loans made from organization to July 1, 1955, and loans outstanding on July 1, 1955, by commodity program

Commodity program	Loans made 1/			Loans outstanding July 1, 1955			
	Amount	Quantity pledged	Unit	Held by Commodity Credit Corporation 2/	Held by lending agencies 3/	Total	Quantity pledged
	1,000 dollars	1,000 units		1,000 dollars	1,000 dollars	1,000 dollars	1,000 units
Barley:							
1940-54	303,078	295,789	Bushels				
1955	619	627	do.				
Total	303,697	296,416	do.	13,956	354	14,310	13,189
Beans, dry:							
1943-53	4/ 155,362	20,564	Hundredweight				
1954	25,542	3,485	do.				
Total	180,904	24,049		668	0	668	87
Butter:							
1938-40	32,156	127,166	Pound	0	0	0	0
Corn:							
1933-53	4/ 2,889,441	2,717,637	Bushels				
1954	313,368	198,817	do.				
Total	3,202,809	2,916,454	do.	208,960	260,591	469,551	300,045
Cotton:							
1933-53	4/ 5,115,475	50,392	Bales				
1954	395,996	2,308	do.				
Total	5,511,471	52,700	do.	563,192	566,305	1,129,497	6,503
Flax fiber:							
1946	1,236	2,579	Pound	0	0	0	0
Flaxseed:							
1941-54	153,147	43,656	Bushels	2,887	28	2,915	894
Grain sorghum:							
1940-54	447,759	197,841	Hundredweight				
1955	101	51	do.				
Total	447,860	197,892	do.	669	126	795	314
Naval stores:							
Rosin:							
1934-54	85,284	2,056,788	Pound	0	0	0	0
Turpentine:							
1934-54	19,513	49,314	Gallon	0	0	0	0
Oats:							
1945-54	138,697	205,248	Bushels				
1955	2,833	4,049	do.				
Total	141,530	209,297	do.	15,190	503	15,693	22,327
Peanuts:							
1937-53	357,189	2,021	Ton				
1954	1,477	4/ 7	do.				
Total	358,666	4/ 2,028	do.	0	0	0	0
Peas, dry:							
1943-49	2,704	846	Hundredweight	0	0	0	0
Potatoes, white:							
1943-49	165,570	156,174	do.	0	0	0	0
Rice:							
1948-53	46,170	9,384	do.				
1954	84,607	17,554	do.				
Total	130,777	26,938	do.	11,427	6	11,433	2,598
Rye:							
1939-54	25,135	27,704	Bushels				
1955	1	1	do.				
Total	25,136	27,705	do.	2,308	12	2,320	1,619
Seeds, miscellaneous:							
1943-53	4/ 62,528	4/ 452,943	Pound	0	0	0	0
Soybeans:							
1941-53	4/ 231,164	99,797	Bushels				
1954	82,766	37,968	do.				
Total	313,930	137,765	do.	14,870	279	15,149	6,839
Sweetpotatoes:							
1943-46	150	77	Hundredweight	0	0	0	0
Tobacco:							
1931-53	4/ 920,544	2,140,295	Pounds				
1954	195,194	335,964	do.				
Total	1,115,738	2,476,259	do.	252,928	149,628	402,556	796,612
Wheat:							
1938-54	6,593,255	4,000,953	Bushels				
1955	1,382	676	do.				
Total	6,594,637	4,001,629	do.	30,413	1,833	32,246	14,748
Other	262,625	xxx		33,278	6,969	40,247	xxx
GRAND TOTAL	19,112,068	xxx		1,150,746	986,634	2,137,380	xxx

1/ Includes loans made directly by Commodity Credit Corporation and guaranteed loans made by lending agencies. Renewals and extensions of loans previously made are excluded.

2/ Includes loans to cooperatives totaling $816,120,000. Excludes pooled loans against which certificates of interest were issued.

3/ Includes certificates of interest totaling $750,509,000 against pooled loans held by Commodity Credit Corporation. Of these certificates, $715,934,000 were issued against loans to cooperatives and $34,575,000 were issued against loans to farmers. Amount of loans to farmers differs from total in table 13 because of difference in basis of reporting.

4/ Revised.

Commodity Credit Corporation.

Table 20.- Commodity Credit Corporation: Loans made on selected commodities, by States, year ended June 30, 1955 1/

State and division	Corn	Cotton	Peanuts	Tobacco	Wheat	Other 2/	Total
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	0	0	0	0	2	178	180
New Hampshire	0	0	0	0	0	0	0
Vermont	0	0	0	0	0	0	0
Massachusetts	0	0	0	0	0	0	0
Rhode Island	0	0	0	0	0	0	0
Connecticut	0	0	0	2,119	0	0	2,119
New England	0	0	0	2,119	2	178	2,299
New York	152	0	0	0	6,488	826	7,466
New Jersey	175	0	0	0	1,381	44	1,600
Pennsylvania	431	0	0	0	4,570	60	5,061
Middle Atlantic	758	0	0	0	12,439	930	14,127
Ohio	10,527	0	0	322	32,598	2,866	46,313
Indiana	20,901	0	0	0	24,739	4,216	49,856
Illinois	52,772	0	0	0	35,447	14,392	102,611
Michigan	2,474	0	0	0	18,443	1,093	22,010
Wisconsin	2,350	0	0	707	155	2,721	5,933
East North Central	89,024	0	0	1,029	111,382	25,288	226,723
Minnesota	38,777	0	0	0	7,923	44,684	91,384
Iowa	126,861	0	0	0	1,908	38,298	167,067
Missouri	5,240	365	0	0	25,558	7,035	38,198
North Dakota	1,130	0	0	0	49,734	41,109	91,973
South Dakota	14,644	0	0	0	24,741	20,121	59,506
Nebraska	36,019	0	0	0	47,096	9,182	92,297
Kansas	4,892	0	0	0	218,564	29,982	253,438
West North Central	227,563	365	0	0	375,524	190,411	793,863
Delaware	55	0	0	0	861	19	935
Maryland	129	0	0	1,967	4,780	49	6,925
District of Columbia	0	0	0	0	0	0	0
Virginia	182	20	4	4,952	3,367	665	9,190
West Virginia	47	0	0	0	77	256	380
North Carolina	140	3,448	0	65,548	1,417	567	71,120
South Carolina	39	6,386	13	0	734	2,402	10,074
Georgia	46	24,562	1,346	0	1,385	6,530	33,869
Florida	20	127	24	0	2	533	706
South Atlantic	658	35,043	1,387	72,467	12,623	11,021	133,199
Kentucky	2,461	4	0	91,938	3,675	721	98,799
Tennessee	35	2,932	0	35,249	1,291	360	39,867
Alabama	104	11,626	4	0	254	555	12,543
Mississippi	3	39,797	0	0	480	11,252	51,532
East South Central	2,603	54,359	4	127,187	5,700	12,888	202,741
Arkansas	0	12,463	0	0	1,405	33,179	47,047
Louisiana	0	5,659	0	0	9	12,783	18,451
Oklahoma	1	19,469	0	0	73,465	3,686	96,621
Texas	40	186,075	98	0	43,754	149,743	379,710
West South Central	41	223,666	98	0	118,633	199,391	541,829
Montana	0	0	0	0	23,085	15,799	38,884
Idaho	20	0	0	0	33,696	12,688	46,404
Wyoming	0	0	0	0	682	4,608	5,290
Colorado	2	0	0	0	5,742	7,868	13,612
New Mexico	0	23,801	0	0	227	2,859	26,887
Arizona	0	13,016	0	0	13	4,697	17,726
Utah	1	0	0	0	983	2,155	3,139
Nevada	0	0	0	0	192	254	446
Mountain	23	36,817	0	0	4,620	50,928	152,388
Washington	129	0	0	0	114,903	21,721	136,753
Oregon	8	0	0	0	8,893	10,121	19,022
California	9	47,077	0	0	3,379	33,308	83,773
Pacific	146	47,077	0	0	17,175	65,150	269,548
Unallocated	0	22,842	0	0	0	-2,998	19,844
United States	320,816	420,169	1,489	202,802	858,098	553,187	2,356,561
Puerto Rico	0	67	0	725	0	0	792

1/ Includes loans made directly by Commodity Credit Corporation and guaranteed loans made by lending agencies.
2/ Consists mainly of grain sorghum, barley, soybeans, oats, and dry edible beans.

Table 21.- Rural Electrification Administration: Electrification and telephone loans outstanding July 1, 1954 and 1955, by States 1/

State and division	Electrification loans				Telephone loans			
	July 1, 1954		July 1, 1955		July 1, 1954		July 1, 1955	
	To cooperatives 2/	To others 3/	To cooperatives 2/	To others 3/	To cooperatives	To others 4/	To cooperatives	To others 4/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	1,666	0	1,659	0	0	61	0	158
New Hampshire	5,420	189	5,669	185	0	0	0	0
Vermont	2,774	0	2,774	0	0	0	0	0
Massachusetts	0	0	0	0	0	0	0	3
Rhode Island	0	0	0	0	0	0	0	0
Connecticut	0	0	0	0	0	0	0	0
New England	9,860	189	10,102	185	0	61	0	161
New York	2,360	0	2,238	0	0	118	0	116
New Jersey	970	0	1,027	0	0	813	0	1,070
Pennsylvania	21,068	0	22,165	0	0	0	0	0
Middle Atlantic	24,398	0	25,430	0	0	931	0	1,186
Ohio	34,114	2,018	34,279	2,707	56	0	99	0
Indiana	33,249	0	32,698	0	960	1,105	1,094	1,582
Illinois	64,302	0	65,974	0	608	536	1,235	1,240
Michigan	41,262	0	42,604	0	0	1,203	0	1,475
Wisconsin	75,975	31	77,111	18	858	753	1,212	987
East North Central	248,902	2,049	252,666	2,725	2,462	3,597	3,640	5,284
Minnesota	101,556	763	102,710	714	3,109	1,376	4,938	2,382
Iowa	98,511	0	99,681	0	1,778	0	2,170	16
Missouri	175,865	0	179,204	0	891	359	2,154	543
North Dakota	86,116	377	85,062	348	2,195	0	4,846	0
South Dakota	69,096	0	70,102	0	291	474	1,285	602
Nebraska	15,965	70,703	13,310	76,745	72	0	400	0
Kansas	73,110	0	72,740	0	1,012	899	2,651	1,452
West North Central	620,219	71,843	622,809	77,807	9,348	3,108	18,444	4,995
Delaware	2,867	0	3,290	0	0	0	0	0
Maryland	11,067	0	11,804	0	0	0	0	0
District of Columbia	0	0	0	0	0	0	0	0
Virginia	42,089	0	44,572	0	144	98	629	124
West Virginia	1,235	0	898	0	0	261	0	264
North Carolina	61,792	374	66,022	337	831	2,086	1,668	2,662
South Carolina	46,576	1,009	49,704	1,195	1,080	845	3,538	853
Georgia	64,578	0	66,687	0	1,353	1,056	1,894	1,931
Florida	30,202	0	32,733	0	831	246	900	712
South Atlantic	260,406	1,383	275,790	1,532	4,239	4,592	8,629	6,546
Kentucky	85,002	0	91,972	0	2,113	841	4,342	1,700
Tennessee	61,324	4,068	63,062	3,936	2,575	1,817	4,222	2,716
Alabama	50,587	1,240	52,583	1,335	727	921	1,371	2,509
Mississippi	58,248	279	61,018	267	0	1,485	0	1,690
East South Central	255,161	5,587	268,635	5,538	5,415	5,064	9,935	8,615
Arkansas	63,877	0	67,149	0	49	0	366	0
Louisiana	28,424	1,773	30,133	2,001	0	3,863	0	5,072
Oklahoma	92,485	0	95,835	0	0	872	128	1,172
Texas	163,259	612	169,563	611	8,943	187	11,533	377
West South Central	348,045	2,385	362,980	2,612	8,992	4,922	12,027	6,621
Montana	33,949	0	35,487	0	635	0	2,505	0
Idaho	11,820	0	12,291	0	271	0	367	166
Wyoming	18,694	0	21,219	0	0	18	7	85
Colorado	47,726	77	53,413	94	188	0	221	3
New Mexico	48,769	0	52,904	0	1,572	0	1,872	0
Arizona	14,937	0	15,273	158	0	0	0	0
Utah	4,649	0	5,108	0	814	443	975	456
Nevada	0	98	0	95	0	215	0	363
Mountain	180,544	175	195,695	347	3,480	676	5,947	1,073
Washington	14,512	7,969	15,913	8,055	0	1,156	50	2,506
Oregon	25,038	378	26,542	387	888	33	1,811	213
California	3,362	6,592	3,813	8,580	0	157	0	729
Pacific	42,912	14,939	46,268	17,022	888	1,346	1,861	3,448
United States	1,990,447	98,550	2,060,375	107,768	34,824	24,297	60,483	37,929
Possessions 5/	12,577	3,257	13,515	5,523	0	0	32	0

1/ Cumulative net advances minus principal repayments.
2/ Approximately two-thirds of the individuals served by these cooperatives are farmers.
3/ Principally loans to public bodies and to power companies.
4/ Loans to commercial telephone companies.
5/ Alaska and Puerto Rico.

Rural Electrification Administration.

Table 22.- Taxes: Amounts levied on farm property and automotive taxes paid by farmers, United States, 1924-54

Year	Property taxes levied		Automotive taxes paid		
	Farm real estate	Farm personal property 1/	Licenses and permits 2/	Motor fuel taxes 3/	
				State 4/	Federal 5/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1924	511,370	71,995	36,084	11,612	----
1925	516,790	71,663	41,127	21,896	---
1926	525,564	72,965	45,446	28,209	---
1927	544,690	74,831	47,626	37,294	---
1928	555,635	79,609	50,310	42,680	---
1929	567,493	83,874	52,808	55,626	---
1930	566,839	81,311	55,092	63,108	---
1931	6/ 526,135	62,546	53,217	61,873	---
1932	6/ 461,227	48,935	49,831	56,895	8,953
1933	6/ 398,422	39,324	44,713	56,687	22,827
1934	6/ 383,815	40,204	44,815	60,586	18,821
1935	6/ 392,272	42,047	46,948	65,745	20,604
1936	6/ 394,420	45,626	50,830	70,570	21,438
1937	404,825	47,132	56,181	74,959	23,199
1938	400,370	48,167	55,702	76,057	24,222
1939	406,761	49,129	56,472	77,771	26,105
1940	401,087	50,200	58,723	79,265	35,850
1941	406,731	56,117	62,906	81,761	45,382
1942	399,468	66,629	97,599	76,661	46,034
1943	400,239	76,795	86,893	72,843	46,556
1944	418,891	80,393	86,680	74,545	49,080
1945	464,810	91,539	89,824	89,939	55,466
1946	518,734	98,512	77,024	107,838	64,602
1947	6/ 605,380	127,727	85,154	118,816	70,708
1948	655,957	150,139	95,253	127,282	75,325
1949	706,152	166,779	101,586	135,744	79,102
1950	740,573	6/ 178,468	107,525	143,276	82,873
1951	781,125	6/ 214,829	116,256	150,177	110,246
1952	821,572	234,189	124,524	157,731	121,022
1953	865,579	225,888	7/ 134,000	7/ 166,000	7/ 126,000
1954	906,117	7/ 220,000	7/ 137,000	7/ 170,000	7/ 130,000

1/ Also includes taxes levied on motor vehicles under general property-tax laws.

2/ Also includes Federal use taxes, 1942-45.

3/ State taxation of motor fuel began in 1919, Federal in 1932.

4/ 1924-44, taxes on motor fuel used in automobiles and trucks only; thereafter, also includes taxes on gasoline used in farm tractors.

5/ Taxes on all motor fuel used in automobiles, trucks, and tractors.

6/ Revised.

7/ Preliminary.

Table 23.- Taxes levied on farm real estate: Amount per acre by States, average 1909-13 and selected years 1925-54 (year of levy but not necessarily year of payment) 1/

State and division	Average 1909-13	1925	1930	1935	1940	1945	1950	1952	1953	1954
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Maine	0.28	0.62	0.81	0.75	0.84	1.00	1.27	1.34	1.38	1.40
New Hampshire	.31	.69	.76	.81	.88	.92	1.41	1.61	1.63	1.75
Vermont	.21	.51	.58	.45	.54	.60	.87	.97	1.01	1.03
Massachusetts	.81	2.00	2.16	2.61	2.70	2.69	3.44	3.88	3.99	4.20
Rhode Island	.46	1.03	1.35	1.36	1.70	1.90	2.40	2.70	2.90	3.15
Connecticut	.48	1.36	1.63	1.79	1.86	2.21	3.30	3.88	4.14	4.61
New England	.37	.90	1.03	1.10	1.16	1.27	1.68	1.88	1.96	2.06
New York	.41	1.04	1.04	.95	1.10	1.10	1.66	1.89	1.96	2.08
New Jersey	.72	2.18	2.74	2.03	2.31	2.51	3.89	4.62	4.87	5.57
Pennsylvania	.49	1.11	1.30	.97	.98	1.05	1.38	1.51	1.58	1.64
Middle Atlantic	.46	1.13	1.24	1.02	1.11	1.15	1.66	1.87	1.95	2.08
Ohio	.47	1.31	1.36	.65	.69	.74	1.09	1.32	1.41	1.52
Indiana	.52	1.40	1.47	.69	.76	.81	1.35	1.49	1.57	1.59
Illinois	.40	1.15	1.16	.79	.98	1.10	2.08	2.45	2.61	2.77
Michigan	.43	1.26	1.34	.46	.46	.52	.77	.86	.92	1.03
Wisconsin	.34	.96	1.05	.75	.78	.96	1.57	1.74	1.81	1.90
East North Central	.43	1.21	1.26	.69	.76	.86	1.46	1.68	1.78	1.88
Minnesota	.23	.78	.87	.61	.66	.85	1.33	1.47	1.56	1.58
Iowa	.40	1.15	1.24	.94	1.00	1.21	1.92	2.13	2.27	2.31
Missouri	.14	.43	.45	.32	.32	.34	.51	.59	.60	.63
North Dakota	.14	.37	.38	.23	.22	.25	.43	.43	.44	.46
South Dakota	.13	.44	.44	.23	.28	.32	.47	.51	.54	.55
Nebraska	.16	.42	.44	.29	.30	.38	.66	.66	.80	.83
Kansas	.19	.52	.55	.37	.36	.41	.72	.80	.85	.92
West North Central	.20	.58	.61	.41	.43	.52	.83	.90	.97	1.00
Delaware	.25	.73	.50	.36	.33	.44	.58	.68	.70	.82
Maryland	.38	.88	.93	.66	.81	.84	1.15	1.20	1.20	1.19
Virginia	.11	.34	.34	.25	.27	.29	.46	.52	.56	.59
West Virginia	.12	.43	.46	.16	.16	.17	.23	.24	.25	.26
North Carolina	.08	.55	.59	.32	.37	.40	.50	.52	.55	.57
South Carolina	.13	.39	.40	.30	.30	.26	.36	.40	.40	.41
Georgia	.11	.29	.30	.23	.14	.19	.32	.30	.30	.31
Florida	.11	.95	.70	.39	.32	.25	.51	.55	.59	.64
South Atlantic	.12	.46	.45	.28	.28	.29	.44	.46	.48	.50
Kentucky	.15	.40	.43	.30	.32	.38	.63	.68	.69	.72
Tennessee	.14	.43	.47	.37	.38	.41	.47	.49	.51	.52
Alabama	.09	.21	.25	.21	.20	.23	.26	.27	.28	.29
Mississippi	.14	.59	.63	.45	.34	.37	.38	.42	.42	.41
East South Central	.13	.41	.44	.33	.31	.34	.43	.46	.47	.48
Arkansas	.15	.34	.32	.28	.28	.29	.32	.36	.37	.38
Louisiana	.15	.57	.57	.45	.31	.33	.39	.39	.41	.43
Oklahoma	.19	.42	.47	.23	.24	.25	.36	.37	.38	.39
Texas	.06	.20	.23	.14	.14	.15	.26	.28	.29	.30
West South Central	.09	.27	.30	.19	.18	.19	.29	.31	.32	.33
Montana	.06	.13	.14	.11	.11	.13	.21	.25	.24	.26
Idaho	.24	.58	.64	.45	.45	.55	.85	.99	1.00	1.07
Wyoming	.03	.07	.09	.06	.06	.07	.13	.15	.15	.15
Colorado	.11	.28	.28	.19	.20	.23	.35	.44	.47	.50
New Mexico	.02	.06	.07	.05	.04	.05	.09	.09	.09	.09
Arizona	.06	.19	.22	.14	.13	.12	.36	.37	.42	.43
Utah	.15	.46	.52	.38	.30	.33	.48	.47	.53	.52
Nevada	.06	.22	.15	.17	.15	.14	.17	.17	.17	.17
Mountain	.08	.18	.19	.14	.14	.16	.27	.31	.32	.33
Washington	.28	.61	.71	.41	.32	.40	.61	.67	.68	.70
Oregon	.15	.37	.40	.32	.33	.32	.76	.84	.87	.96
California	.35	1.07	1.14	.63	.83	1.00	1.86	2.12	2.23	2.37
Pacific	.29	.78	.84	.49	.56	.67	1.27	1.44	1.50	1.60
United States	.21	.56	.57	.37	.39	.44	.69	.77	.81	.85

1/ Tax-per-acre figures derived by dividing total taxes levied on farm real estate by acreage of all land in farms, except public and Indian lands, on which no taxes are levied.

Table 24.- Taxes levied on farm real estate: Index numbers of amount per acre, by States, selected years 1925-54 (year of levy but not necessarily year of payment) 1/

(1909-13 = 100)

State and division	1925	1930	1935	1940	1945	1950	1952	1953	1954
Maine	219	288	265	297	355	450	474	489	496
New Hampshire	220	243	258	279	292	447	510	516	555
Vermont	247	281	217	259	290	419	469	489	498
Massachusetts	248	268	324	334	334	426	480	494	520
Rhode Island	227	298	298	374	417	526	593	637	692
Connecticut	282	337	371	384	457	683	803	856	953
New England	242	276	294	311	342	452	505	525	554
New York	252	252	230	265	266	403	459	476	505
New Jersey	303	381	282	321	348	540	642	677	775
Pennsylvania	227	267	200	202	215	282	311	324	336
Middle Atlantic	244	268	220	241	249	358	405	422	449
Ohio	280	292	140	147	158	234	284	302	326
Indiana	269	282	132	146	156	259	285	301	305
Illinois	289	291	199	246	275	523	615	657	695
Michigan	292	310	106	106	121	177	200	212	239
Wisconsin	280	309	221	229	281	460	509	529	556
East North Central	281	293	160	177	200	340	390	414	438
Minnesota	337	375	261	285	367	571	633	672	680
Iowa	285	308	233	246	299	475	527	561	572
Missouri	311	328	231	231	245	371	428	439	461
North Dakota	265	265	161	157	174	301	305	312	323
South Dakota	349	349	183	221	253	370	400	423	433
Nebraska	266	277	184	190	236	410	413	502	522
Kansas	275	292	199	194	220	384	425	452	487
West North Central	290	304	207	217	259	415	452	486	503
Delaware	292	201	146	133	176	234	273	282	328
Maryland	233	245	175	215	223	306	318	318	317
Virginia	308	305	226	246	262	418	469	521	538
West Virginia	371	395	134	141	146	203	206	213	220
North Carolina	700	748	405	464	510	629	662	691	718
South Carolina	300	310	228	234	204	280	312	306	315
Georgia	263	272	206	129	172	291	270	269	283
Florida	875	652	361	293	235	468	513	548	595
South Atlantic	379	375	234	232	243	363	382	396	415
Kentucky	268	284	196	212	251	421	454	457	478
Tennessee	309	339	267	276	298	336	352	367	376
Alabama	236	286	239	231	255	288	304	316	327
Mississippi	426	457	328	249	267	277	307	308	300
East South Central	314	344	257	241	267	334	358	365	373
Arkansas	232	217	195	192	198	217	249	252	257
Louisiana	379	384	301	210	219	260	263	276	286
Oklahoma	221	248	122	127	131	193	197	203	206
Texas	352	409	251	241	270	457	485	502	518
West South Central	290	319	198	187	201	307	325	335	344
Montana	209	217	176	174	202	327	379	372	394
Idaho	248	273	190	193	233	362	422	427	453
Wyoming	217	275	172	175	210	405	444	453	447
Colorado	253	256	170	179	211	318	403	421	451
New Mexico	291	333	212	208	249	403	430	438	440
Arizona	298	345	221	207	183	575	587	660	688
Utah	304	346	250	201	217	315	310	352	347
Nevada	348	238	263	230	215	264	270	264	274
Mountain	228	239	188	170	201	331	380	393	411
Washington	216	252	147	113	141	218	240	241	249
Oregon	255	275	220	224	218	519	576	598	653
California	301	321	178	233	282	524	598	627	668
Pacific	269	290	171	195	233	438	496	517	552
United States	270	277	180	187	213	335	371	391	409

1/ Index numbers computed before rounding to nearest cent.

Table 25.- Taxes levied on farm real estate: Amount per $100 of full value, by States, average 1909-13 and selected years 1925-54 (year of levy but not necessarily year of payment) 1/

State and division	Average 1909-13	1925	1930	1935	1940	1945	1950	1952	1953	1954
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Maine	1.10	1.57	1.97	2.45	2.87	2.09	2.39	2.39	2.69	2.83
New Hampshire	1.14	1.76	1.95	2.47	2.41	1.55	1.85	1.97	2.06	2.21
Vermont	.85	1.42	1.58	1.48	1.76	1.33	1.48	1.56	1.72	1.80
Massachusetts	1.15	1.76	1.68	2.42	2.41	1.65	1.69	1.81	1.96	2.09
Rhode Island	.72	1.06	1.10	1.20	1.38	1.02	.96	1.06	1.15	1.27
Connecticut	.72	1.15	1.08	1.32	1.30	1.08	1.24	1.40	2/ 1.52	1.66
New England	.99	1.51	1.56	1.90	2.04	1.50	1.65	1.76	1.91	2.03
New York	.75	1.46	1.52	1.64	1.99	1.49	1.73	1.79	1.98	2.13
New Jersey	.83	1.46	1.67	1.51	1.70	1.12	1.26	1.31	2/ 1.38	1.55
Pennsylvania	.86	1.49	1.75	1.61	1.65	1.19	1.12	1.12	2/ 1.16	1.17
Middle Atlantic	.77	1.48	1.63	1.62	1.81	1.31	1.39	1.42	2/ 1.51	1.58
Ohio	.66	1.53	1.89	1.05	1.01	.64	.67	.73	2/ .78	.80
Indiana	.66	1.73	2.27	1.19	1.18	.70	.83	.82	2/ .88	.84
Illinois	.34	.88	1.20	1.06	1.18	.82	1.00	1.08	2/ 1.16	1.20
Michigan	.87	1.81	2.08	.97	.90	.61	.68	.70	2/ .73	.79
Wisconsin	.57	1.14	1.49	1.37	1.54	1.30	1.59	1.65	1.82	1.95
East North Central	.54	1.29	1.66	1.13	1.17	.80	.95	.99	2/ 1.06	1.09
Minnesota	.46	1.00	1.45	1.39	1.49	1.31	1.36	1.43	2/ 1.60	1.51
Iowa	.38	.81	1.14	1.19	1.26	.97	1.03	1.11	1.23	1.18
Missouri	.26	.75	.98	.94	.98	.63	.68	.74	.83	.85
North Dakota	.46	1.30	1.70	1.31	1.70	1.12	1.30	1.13	1.18	1.23
South Dakota	.31	1.05	1.41	1.16	1.98	1.28	1.17	1.15	1.26	1.25
Nebraska	.33	.70	.85	.87	1.35	.89	.94	.86	1.12	1.11
Kansas	.45	1.06	1.24	1.17	1.23	.86	.98	.97	1.10	1.14
West North Central	.38	.90	1.19	1.14	1.33	.98	1.04	1.06	1.20	1.18
Delaware	.48	1.05	.68	.64	.51	.45	.47	.47	.50	.56
Maryland	.75	1.12	1.16	1.06	1.20	.81	.84	.75	.77	.74
Virginia	.38	.68	.75	.65	.65	.41	.49	.48	2/ .54	.56
West Virginia	.41	1.10	1.26	.53	.50	.34	.36	.34	2/ .36	.37
North Carolina	.36	1.09	1.48	.91	.95	.53	.46	.41	2/ .44	.44
South Carolina	.49	.96	1.26	1.09	.94	.45	.47	.48	2/ .48	.50
Georgia	.58	1.09	1.27	1.22	.66	.54	.67	.53	2/ .54	.57
Florida	.42	.88	.89	.77	.82	.36	.79	.77	.87	.87
South Atlantic	.47	.97	1.13	.88	1.12	.48	.56	.51	2/ .55	.56
Kentucky	.50	.92	1.08	.98	.84	.56	.69	.70	2/ .74	.79
Tennessee	.54	1.02	1.23	1.14	1.03	.62	.55	.52	.59	.61
Alabama	.60	.81	.98	.99	.93	.60	.47	.43	.47	.49
Mississippi	.72	1.99	2.10	1.94	1.32	.82	.59	.58	.62	.60
East South Central	.56	1.15	1.32	1.23	1.01	.64	.59	.57	.62	.64
Arkansas	.78	1.01	1.12	1.23	1.07	.65	.46	.49	2/ .53	.53
Louisiana	.62	1.44	1.40	1.37	.86	.54	.44	.40	.43	.44
Oklahoma	.72	1.22	1.39	.91	.98	.62	.59	.57	2/ .63	.61
Texas	.32	.70	.92	.76	.71	.43	.47	.48	2/ .48	.48
West South Central	.47	.88	1.07	.89	.82	.49	.49	.49	2/ .50	.50
Montana	.34	1.02	1.37	1.60	1.39	.83	1.01	1.06	1.16	1.26
Idaho	.52	1.34	1.65	1.23	1.29	.77	1.03	1.24	1.35	1.45
Wyoming	.26	.98	1.12	1.11	.94	.56	.79	.82	.91	.92
Colorado	.36	1.21	1.44	1.65	1.51	.83	.91	1.20	1.40	1.58
New Mexico	.26	.99	1.13	1.05	.67	.31	.37	.39	.44	.46
Arizona	.18	1.38	1.45	1.71	1.12	.38	.79	.73	.91	.96
Utah	.44	1.20	1.54	1.80	1.33	.78	.88	.86	1.04	1.03
Nevada	.38	1.38	1.03	1.50	1.17	.65	.76	.75	.80	.86
Mountain	.38	1.16	1.37	1.46	1.25	.68	.85	.96	1.09	1.17
Washington	.55	1.06	1.43	1.17	.76	.47	.65	.69	.73	.76
Oregon	.36	.89	1.18	1.37	1.14	.56	1.13	1.23	1.38	1.55
California	.59	1.02	1.11	.89	1.09	.58	1.05	1.17	2/ 1.29	1.33
Pacific	.54	1.01	1.17	1.00	1.04	.56	.99	1.10	2/ 1.21	1.26
United States	.50	1.08	1.32	1.14	1.17	.76	.87	.90	2/ .98	1.00

1/ Derived from tax-per-acre figures in table 2 and value-per-acre figures reported by Bureau of the Census for census years and estimated by Production Economics Research Branch, Agricultural Research Service, for intercensal years. Value-per-acre figures reported by the Bureau of the Census adjusted by Production Economics Research Branch, Agricultural Research Service, to exclude value and acreage of public and Indian lands included in census figures. No taxes are levied on public and Indian lands. Taxes levied in any particular year are related to values for the next succeeding year.

2/ Revised.

Table 26.- Taxes levied on farm real estate: Total taxes, by States, 1925-54 (year of levy but not necessarily year of payment) 1/

State and division	1925	1930	1935	1940	1945	1950	1952	1953	1954
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	3,202	3,777	3,540	3,554	4,593	5,312	5,593	5,778	5,857
New Hampshire	1,568	1,499	1,721	1,588	1,855	2,392	2,730	2,764	2,974
Vermont	2,005	2,267	1,810	1,963	2,352	3,044	3,412	3,556	3,623
Massachusetts	4,742	4,333	5,740	5,235	5,588	5,652	6,370	6,563	6,911
Rhode Island	319	378	418	378	483	453	511	549	596
Connecticut	2,496	2,449	3,726	2,807	3,515	4,155	4,887	5,206	5,795
New England	14,332	14,703	16,956	15,525	18,386	21,009	23,502	24,415	25,756
New York	20,074	18,676	17,732	18,808	19,287	26,551	30,256	31,375	33,271
New Jersey	4,199	4,814	3,885	4,323	4,518	6,671	7,931	8,356	9,566
Pennsylvania	18,046	19,884	15,437	14,369	15,670	19,302	21,234	22,162	22,984
Middle Atlantic	42,319	43,374	37,054	37,499	39,475	52,524	59,422	61,893	65,821
Ohio	29,011	29,264	14,909	15,015	16,086	22,751	27,639	29,386	31,749
Indiana	27,961	28,927	14,161	15,091	16,124	26,496	29,148	30,749	31,204
Illinois	35,307	35,521	25,079	30,355	34,608	64,325	75,526	80,754	85,451
Michigan	22,749	22,919	8,434	8,278	9,629	13,162	14,858	15,768	17,764
Wisconsin	20,890	23,018	17,692	17,857	22,480	36,366	40,241	41,836	43,919
East North Central	135,918	139,649	80,276	86,596	98,927	163,101	187,411	198,494	210,088
Minnesota	23,596	26,989	19,891	21,598	28,059	43,576	48,346	51,321	51,899
Iowa	38,375	42,320	32,413	34,005	41,599	65,692	72,852	77,502	79,072
Missouri	13,897	15,156	11,072	10,992	11,832	17,774	20,495	21,049	22,100
North Dakota	12,846	14,501	8,919	8,434	9,451	16,692	16,917	17,339	17,939
South Dakota	14,150	16,152	8,618	9,610	10,926	18,156	19,611	20,711	21,201
Nebraska	17,825	19,737	13,684	14,341	17,543	30,229	30,382	36,938	38,477
Kansas	22,626	25,831	17,941	17,561	20,071	35,043	38,785	41,299	44,494
West North Central	143,315	160,686	112,539	116,541	139,480	227,162	247,389	266,159	275,182
Delaware	655	450	335	296	404	495	577	596	693
Maryland	3,886	4,046	2,887	3,400	3,507	4,665	4,846	4,849	4,827
Virginia	5,826	5,601	4,385	4,418	4,704	7,130	7,996	8,700	9,165
West Virginia	3,858	4,021	1,464	1,453	1,462	1,929	1,959	2,023	2,095
North Carolina	10,283	10,667	6,379	6,908	7,487	9,572	10,075	10,504	10,916
South Carolina	4,128	4,169	3,641	3,407	2,864	4,290	4,770	4,681	4,821
Georgia	6,341	6,601	5,709	3,362	4,439	8,177	7,590	7,567	7,963
Florida	5,545	3,542	2,357	2,642	3,317	8,138	8,926	9,534	10,356
South Atlantic	40,522	39,097	27,157	25,887	28,185	44,395	46,739	48,454	50,836
Kentucky	8,039	8,527	6,112	6,469	7,410	12,261	13,203	13,295	13,919
Tennessee	7,672	8,478	7,079	7,081	7,346	8,660	9,017	9,368	9,634
Alabama	3,494	4,444	4,167	3,912	4,286	5,293	5,588	5,807	5,994
Mississippi	9,393	10,875	8,837	6,545	7,159	7,782	8,650	8,669	8,429
East South Central	28,598	32,324	26,195	24,007	26,200	33,997	36,458	37,160	37,977
Arkansas	5,288	5,093	5,052	5,063	5,035	5,955	6,834	6,922	7,051
Louisiana	5,005	5,378	4,696	3,144	3,266	4,312	4,358	4,581	4,746
Oklahoma	12,887	15,820	8,121	8,352	8,499	12,642	12,867	13,276	13,461
Texas	22,113	29,217	19,817	18,995	21,556	37,145	39,405	40,761	42,032
West South Central	45,293	55,508	37,686	35,554	38,377	60,054	63,464	65,541	67,290
Montana	4,333	6,256	5,413	5,220	6,418	10,376	12,050	11,818	12,527
Idaho	4,738	6,009	4,442	4,685	6,230	10,006	11,658	11,783	12,502
Wyoming	1,349	2,156	1,615	1,569	1,905	3,550	3,894	3,975	3,920
Colorado	6,741	8,162	5,615	6,220	7,792	12,175	15,399	16,121	17,247
New Mexico	1,726	2,188	1,554	1,348	1,551	2,665	2,845	2,900	2,909
Arizona	2,074	2,287	1,948	1,721	1,613	4,466	4,557	5,121	5,343
Utah	2,294	2,936	2,355	2,215	3,005	4,363	4,305	4,901	4,829
Nevada	898	612	601	550	701	1,007	1,029	1,006	1,043
Mountain	24,153	30,606	23,543	23,528	29,215	48,626	55,737	57,625	60,320
Washington	7,686	9,607	6,069	4,843	6,220	9,971	10,942	11,007	11,379
Oregon	5,279	6,654	5,582	5,890	6,101	14,796	16,399	17,022	18,602
California	29,377	34,628	19,215	25,218	34,243	64,937	74,108	77,809	82,868
Pacific	42,342	50,889	30,867	35,951	46,564	89,705	101,449	105,838	112,849
United States	516,790	566,839	392,272	401,087	464,810	740,573	821,572	865,579	906,117

1/ Regional totals computed before rounding to nearest thousand dollars.

Table 27.- Farm fire losses, United States, 1937-54 1/

Year	Amount	Year	Amount	Year	Amount
	Million dollars		Million dollars		Million dollars
1937	66	1943	75	1949	113
1938	73	1944	80	1950	116
1939	76	1945	82	1951	127
1940	71	1946	90	1952	136
1941	68	1947	101	1953	139
1942	64	1948	119	1954	152

1/ Represents fire and lightning losses on buildings, implements and machinery, livestock, crops, and household goods.

Table 28.- Farmers' mutual fire insurance: Number of companies, amount and cost of insurance, and surplus and reserves, United States, 1914-54 1/

Year	Companies 2/	Insurance in force at end of year	Cost per $100 of insurance			Surplus and reserves at end of year 3/
			Losses	Expenses	Total	
	Number	1,000 dollars	Cents	Cents	Cents	1,000 dollars
1914	1,947	5,264,119	20.4	6.0	26.4	---
1915	1,879	5,366,760	17.5	6.0	23.5	---
1916	1,883	5,635,968	19.6	5.9	25.5	---
1917	1,829	5,876,853	18.2	6.4	24.6	---
1918	1,866	6,391,522	18.8	6.3	25.1	---
1919	1,922	6,937,523	17.3	7.8	25.1	---
1920	1,944	7,865,988	17.4	8.4	25.8	---
1921	1,951	8,409,683	19.4	7.8	27.2	---
1922	1,918	8,769,948	20.9	5.8	26.7	---
1923	1,907	9,057,938	19.8	6.6	26.4	---
1924	1,929	9,487,029	20.4	6.5	26.9	---
1925	1,839	9,477,139	21.1	6.7	27.8	---
1926	1,911	9,988,580	19.4	6.9	26.3	---
1927	1,889	10,345,463	19.0	6.3	25.3	---
1928	1,884	10,781,212	20.5	6.6	27.1	---
1929	1,876	11,118,510	21.8	6.6	28.4	---
1930	1,886	11,382,104	24.8	6.8	31.6	---
1931	1,863	11,292,339	24.1	6.9	31.0	---
1932	1,847	10,974,082	24.9	7.1	32.0	---
1933	1,826	10,466,384	21.2	7.3	28.5	---
1934	1,852	10,571,508	19.7	7.2	26.9	---
1935	1,941	11,083,300	15.7	7.5	23.2	33,656
1936	1,936	11,339,510	20.7	7.4	28.1	35,083
1937	1,924	11,569,476	16.5	7.6	24.1	37,479
1938	1,914	11,868,569	18.0	8.0	26.0	40,105
1939	1,904	12,143,881	18.4	8.2	26.6	41,819
1940	1,898	12,294,287	17.1	8.1	25.2	45,474
1941	1,885	12,518,913	16.2	8.4	24.6	50,119
1942	1,877	12,982,390	14.6	8.1	22.7	55,797
1943	1,878	13,777,555	16.2	7.7	23.9	61,413
1944	1,847	14,221,012	15.9	7.8	23.7	63,490
1945	1,841	15,170,456	15.6	8.0	23.6	70,644
1946	1,833	16,941,434	15.8	8.8	24.6	76,194
1947	1,803	19,263,745	15.8	8.5	24.3	85,625
1948	1,806	20,769,410	16.4	8.7	25.1	93,328
1949	1,808	22,488,417	14.0	8.3	22.3	108,033
1950	1,777	24,160,742	14.6	8.4	23.0	122,384
1951	1,745	25,493,692	14.1	8.0	22.1	129,252
1952 4/	1,759	27,716,145	13.8	8.2	22.0	147,639
1953 5/	1,692	27,348,490	14.6	7.2	21.8	154,073
1954 6/	--	32,506,000	16.4	7.5	23.9	176,200

1/ For 1914-33 includes companies with more than 65 percent of their insurance on farm property; for later years those with more than 50 percent. In recent years between 86 and 88 percent of total insurance has been on farm property.
2/ Number of companies for which data were obtained; perhaps not entirely complete for any year.
3/ Excess of assets over liabilities. Most farmers' mutuals are assessment companies and as such are not required to set up unearned premium reserves. Data not compiled before 1935.
4/ Revised.
5/ Preliminary.
6/ Preliminary estimates based on sample of companies; not available by States.

Data for 1914-33 and 1942-54 compiled by Bureau of Agricultural Economics (Production Economics Research Branch, ARS); those for 1934-41 by Farm Credit Administration.

Table 29.- Farmers' mutual fire insurance: Number of companies, amount and cost of insurance, and surplus and reserves, by States, 1953 1/

State and division	Companies	Insurance in force at end of year	Cost per $100 of insurance			Surplus and reserves at end of year 2/
			Losses	Expenses	Total	
	Number	1,000 dollars	Cents	Cents	Cents	1,000 dollars
Maine	29	124,264	35.9	13.1	49.0	509
New Hampshire	8	56,708	28.5	9.9	38.4	1,653
Vermont	4	165,149	28.4	13.0	41.4	737
Massachusetts 3/	0	0	0	0	0	0
Rhode Island 3/	0	0	0	0	0	0
Connecticut	1	14,442	7.8	7.9	15.7	379
New England	42	360,563	28.5	11.9	40.4	3,278
New York	115	1,420,221	27.9	7.9	35.8	8,328
New Jersey	4	137,742	14.9	10.1	25.0	2,040
Pennsylvania	121	1,709,789	11.7	7.2	18.9	9,383
Middle Atlantic	240	3,267,752	18.4	7.6	26.0	19,751
Ohio	91	2,343,664	16.8	5.9	22.7	7,410
Indiana	70	1,545,189	17.3	6.2	23.5	10,157
Illinois	199	2,586,446	11.2	7.0	18.2	14,447
Michigan	59	1,697,512	23.7	10.8	34.5	9,054
Wisconsin	189	2,813,269	12.5	4.7	17.2	9,303
East North Central	608	10,986,080	15.5	6.7	22.2	50,371
Minnesota	154	2,372,172	9.9	4.8	14.7	9,193
Iowa	147	3,318,024	11.6	4.9	16.5	15,015
Missouri	112	761,510	18.9	6.1	25.0	3,961
North Dakota	30	359,727	7.1	6.1	13.2	1,986
South Dakota	44	436,699	5.9	4.1	10.0	2,404
Nebraska	41	1,312,496	10.4	9.0	19.4	4,738
Kansas	10	532,992	6.5	5.1	11.6	3,533
West North Central	538	9,093,620	10.6	5.5	16.1	40,830
Delaware	3	12,746	12.3	25.5	37.8	233
Maryland	7	131,336	7.0	5.9	12.9	3,693
District of Columbia 3/	0	0	0	0	0	0
Virginia	39	418,989	15.2	11.7	26.9	4,790
West Virginia	13	86,093	7.0	8.5	15.5	1,633
North Carolina	31	171,795	19.6	11.3	30.9	2,690
South Carolina	10	29,579	32.5	22.6	55.1	964
Georgia	19	114,321	26.5	16.5	43.0	1,569
Florida 3/	0	0	0	0	0	0
South Atlantic	122	964,859	14.8	11.0	25.8	15,572
Kentucky	16	182,112	21.7	14.9	36.6	3,542
Tennessee	30	254,908	20.7	12.1	32.8	1,348
Alabama	1	74,500	43.1	16.4	59.5	577
Mississippi	2	33,318	66.6	24.2	90.8	227
East South Central	49	544,838	27.1	14.4	41.5	5,694
Arkansas	16	195,095	57.2	19.8	77.0	1,598
Louisiana 3/	0	0	0	0	0	0
Oklahoma	3	26,277	37.0	6.1	43.1	912
Texas	26	404,133	12.7	4.4	17.1	3,386
West South Central	45	625,505	27.7	9.4	37.1	5,896
Montana	12	78,839	10.5	9.7	20.2	703
Idaho	8	246,955	12.0	7.2	19.2	1,155
Wyoming	3	18,887	20.1	15.0	35.1	107
Colorado	5	264,018	11.6	11.3	22.9	894
New Mexico 3/	0	0	0	0	0	0
Arizona 3/	0	0	0	0	0	0
Utah	1	35,682	13.4	23.4	36.8	780
Nevada 3/	0	0	0	0	0	0
Mountain	29	644,381	12.0	10.3	22.3	3,639
Washington	3	230,930	13.3	16.9	30.2	3,727
Oregon	5	124,372	14.8	15.1	29.9	1,135
California	11	505,590	10.2	13.4	23.6	4,180
Pacific	19	860,892	11.4	14.4	25.8	9,042
United States	1,692	27,348,490	14.6	7.2	21.8	154,073

1/ Preliminary. Includes companies with more than half of their insurance on farm property. In recent years between 86 and 88 percent of their total insurance has been on farm property. Data for some companies not available at time of publication.

2/ Excess of assets over liabilities. Most farmers' mutuals are assessment companies and as such are not required to set up unearned premium reserves.

3/ No mutual fire insurance company with more than half its insurance on farm property.

Table 30.- Comparative balance sheet of agriculture, United States, January 1, 1940-55

Item	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955
	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars	Billion dollars
ASSETS																
Physical assets:																
Real estate	33.6	34.6	37.9	42.1	48.8	54.8	61.8	68.8	73.9	76.8	75.3	85.8	93.7	92.7	2/89.1	91.3
Non-real-estate:																
Livestock	5.1	5.3	7.1	9.6	9.7	9.0	9.7	11.9	13.3	14.4	12.9	17.1	19.6	14.8	11.9	11.4
Machinery and motor vehicles 1/	3.2	3.6	4.6	5.5	5.8	6.4	6.3	7.0	9.3	2/11.8	2/14.1	2/15.2	2/17.5	2/18.1	2/18.2	17.7
Crops stored on and off farms 3/	2.7	3.0	3.8	5.1	6.1	6.7	6.3	7.1	9.0	8.6	7.6	7.9	8.8	9.0	2/ 9.2	9.6
Household furnishings and equipment 4/	4.3	4.3	4.5	4.6	4.6	4.7	4.8	5.3	6.1	6.9	7.7	8.6	9.3	10.0	10.6	11.1
Financial assets:																
Deposits and currency 2/	3.8	4.2	5.2	7.0	8.6	10.5	12.8	14.3	14.3	13.8	13.1	13.1	13.7	13.8	13.8	13.6
United States savings bonds	.3	.4	.5	1.1	2.2	3.4	4.1	4.1	4.4	4.6	4.8	4.9	4.9	5.0	2/ 5.2	5.4
Investments in cooperatives	.8	.9	.9	1.0	1.1	1.2	1.4	1.5	1.7	1.9	2.1	2.3	2.5	2.7	2.9	3.0
Total 2/ 5/	53.8	56.3	64.5	76.0	86.9	96.7	107.2	120.0	132.0	138.8	137.6	154.9	170.0	166.1	160.9	163.1
CLAIMS																
Liabilities:																
Real estate debt	6.6	6.5	6.4	6.0	5.4	4.9	4.8	4.9	5.1	5.3	5.6	6.1	6.6	7.2	7.7	8.2
Non-real-estate debt:																
To principal institutions:																
Excluding loans held and guaranteed by Commodity Credit Corporation	1.5	1.6	1.8	1.7	1.7	1.6	1.7	2.0	2.3	2.7	2.8	3.4	4.1	4.2	3.8	4.0
Loans held and guaranteed by Commodity Credit Corporation 6/	.4	.6	.6	.8	.6	.7	.3	.1	.1	1.2	1.7	.8	.6	1.2	2.4	2.5
To others 7/	1.5	1.7	1.7	1.5	1.2	1.1	1.2	1.5	1.8	2.2	2.4	2.8	3.2	3.4	3.2	3.1
Total liabilities 5/	10.0	10.4	10.5	10.0	8.9	8.3	8.0	8.5	9.3	11.4	12.5	13.1	14.5	16.0	17.1	18.0
Proprietors' equities 2/ 5/	43.8	45.9	54.0	66.0	78.0	88.4	99.2	111.5	122.7	127.4	125.1	141.8	155.5	150.1	143.8	145.1
Total 2/ 5/	53.8	56.3	64.5	76.0	86.9	96.7	107.2	120.0	132.0	138.8	137.6	154.9	170.0	166.1	160.9	163.1

1/ These data do not include revisions made in October 1955.
2/ Revised.
3/ Includes all crops held on farms for whatever purpose and crops held off farms as security for Commodity Credit Corporation loans. On January 1, 1955, the latter totaled $1.9 billion.
4/ Estimated valuation for 1940, plus purchases minus depreciation since then.
5/ Total of rounded data.
6/ Although these are nonrecourse loans, they are included as liabilities because borrowers must either pay them in cash or deliver the commodities on which they were based. The values of the underlying commodities are included among the assets; hence the loans must be included as liabilities to avoid overstating the amount of proprietors' equities.
7/ Includes individuals, merchants, dealers, and others. Estimates based on fragmentary data.

Table 31.-Comparative income statement for agriculture, United States, 1940-54 1/

Item	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
HOW NET INCOME WAS OBTAINED															
Total gross farm income:															
Cash receipts from farm marketings	8,382	11,111	15,565	19,620	20,536	21,663	24,770	29,664	30,253	27,884	28,405	32,909	32,702	31,244	30,203
Government payments to farmers	723	524	550	645	776	742	772	314	257	186	283	285	275	213	257
Home consumption of farm products	1,210	1,429	1,758	2,253	2,181	2,356	2,539	2,675	2,650	2,195	2,051	2,347	2,137	2,158	1,961
Rental value of farm dwellings	723	744	794	844	919	1,011	1,143	1,369	1,436	1,337	1,366	1,519	1,611	1,657	1,578
Net change in inventory 2/	281	420	1,099	-53	-410	-439	-77	-1,733	1,752	-807	859	1,309	837	-589	493
Total	11,319	14,248	19,866	23,309	24,002	25,333	29,247	32,289	36,338	30,775	32,964	38,369	37,765	34,653	34,492
Production costs, other than wages, rent, and interest on mortgages:															
Feed bought	998	1,089	1,625	2,135	2,427	2,738	3,022	3,746	3,996	3,024	3,330	4,168	4,469	3,963	4,121
Livestock bought, except horses and mules	517	635	877	908	812	1,011	1,170	1,379	1,589	1,588	2,000	2,143	1,961	1,334	1,594
Fertilizer and lime bought	306	334	417	505	576	657	683	755	826	895	978	1,085	1,229	1,246	1,243
Repairs and operation of capital items	1,006	1,099	1,244	1,407	1,528	1,626	1,981	2,396	2,795	2,847	2,969	3,314	3,550	3,575	3,469
Depreciation and other consumption of farm capital	796	874	1,370	1,403	1,463	1,340	1,224	1,616	2,060	2,438	2,743	3,242	3,421	3,561	3,645
Taxes on farm real estate and personal property	451	463	466	477	499	557	618	733	826	873	919	996	1,056	1,094	1,132
Seed bought	197	203	301	406	440	435	428	514	581	543	531	561	594	560	557
Miscellaneous	708	728	849	939	975	974	1,079	1,351	1,491	1,569	1,611	1,843	1,953	1,847	1,895
Total	4,979	5,425	7,149	8,170	8,720	9,338	10,205	12,390	14,084	13,709	15,081	17,752	18,213	17,280	17,656
Net income from agriculture	6,340	8,753	12,717	15,139	15,282	15,995	19,042	19,899	22,254	17,066	17,883	20,617	19,552	17,373	16,836
HOW NET INCOME WAS DISTRIBUTED															
Wages to hired labor (cash and perquisites)	1,029	1,249	1,631	2,027	2,202	2,299	2,544	2,808	3,016	2,865	2,750	2,931	3,008	3,080	3,078
Net rent and Government payments to landlords not living on farms 3/	448	647	890	1,044	1,043	1,064	1,356	1,408	1,311	1,092	1,153	1,284	1,337	1,133	1,075
Interest on farm mortgage debt	293	284	272	246	230	221	219	225	232	243	264	291	319	347	376
Net income of farm operators	4,570	6,573	9,924	11,822	11,807	12,411	14,923	15,458	17,695	12,866	13,716	16,111	14,888	12,813	12,307
Net income from agriculture	6,340	8,753	12,717	15,139	15,282	15,995	19,042	19,899	22,254	17,066	17,883	20,617	19,552	17,373	16,836
REALIZED NET INCOME OF FARM OPERATORS															
Net income of farm operators	4,570	6,573	9,924	11,822	11,807	12,411	14,923	15,458	17,695	12,866	13,716	16,111	14,888	12,813	12,307
Net change in inventory	281	420	1,099	-53	-410	-439	-77	-1,733	1,752	-807	859	1,309	837	-589	493
Realized net income of farm operators	4,289	6,153	8,825	11,875	12,217	12,850	15,000	17,191	15,943	13,673	12,857	14,802	14,051	13,402	11,814

1/ Revised.
2/ Reflects the physical changes during the year in all livestock and crops on farms, except crops under CCC loan, with the changes valued at average prices for the year.
3/ After subtraction of taxes, mortgage interest, and other expenses paid by such landlords.

Table 32.- Farm real estate: Land transfers and value, United States, 1930-55

Year ended March 15	Number of farms changing ownership per 1,000 farms				Index of average value per acre 2/ (1912-14 = 100)
	Voluntary sales and trades	Forced sales and related defaults	Other 1/	Total	
	Number	Number	Number	Number	
1930	23.7	20.8	17.0	61.5	115
1931	19.0	26.1	16.8	61.9	103
1932	10.2	41.7	18.8	76.7	86
1933	16.8	54.1	22.7	93.6	70
1934	17.8	39.1	21.7	78.6	74
1935	19.4	28.3	21.4	69.1	76
1936	24.8	26.2	21.9	72.9	80
1937	31.5	22.4	20.1	74.0	83
1938	30.5	17.4	17.5	65.4	84
1939	29.7	17.0	17.1	63.8	82
1940	30.2	15.9	16.9	63.0	82
1941	34.1	13.9	15.7	63.7	83
1942	41.7	9.3	15.1	66.1	90
1943	45.8	6.6	14.6	67.0	98
1944	55.9	4.9	15.3	76.1	112
1945	51.5	3.0	15.2	69.7	124
1946	57.4	2.3	15.3	75.0	140
1947	57.7	1.8	16.3	75.8	155
1948	49.0	1.5	15.4	65.9	167
1949	40.3	1.6	14.5	56.9	172
1950	37.1	1.8	13.4	52.3	168
1951	39.4	1.8	12.8	54.0	193
1952	37.5	2.0	12.9	52.4	211
1953	34.3	1.5	11.8	47.6	209
1954	29.9	2.1	12.0	44.0	3/ 201
1955	32.0	2.3	12.1	46.4	4/ 206

1/ Largely inheritance, gifts, and sales in settlement of estates; also includes a small number of miscellaneous and unclassified transfers. 2/ Revised series. As of March 1. 3/ Revised. 4/ Preliminary.

Table 33.- Cash receipts from farming, and indexes of prices received by farmers, of prices paid by farmers, and of rural retail sales, United States, 1930-55

Year and month	Cash receipts from farming 1/	Prices received by farmers (1910-14 = 100)	Prices paid by farmers (1910-14 = 100)	Rural retail sales 2/ (1935-39 = 100)
	Million dollars			
1930	9,055	125	151	85
1931	6,321	87	130	67
1932	4,748	65	112	55
1933	5,463	70	109	60
1934	6,903	90	120	72
1935	7,693	109	124	86
1936	8,669	114	124	99
1937	9,200	122	131	105
1938	8,169	97	124	99
1939	8,035	95	123	110
1940	9,105	100	124	117
1941	11,655	124	135	148
1942	16,215	159	152	164
1943	20,205	193	171	159
1944	21,312	197	182	166
1945	22,405	207	190	173
1946	25,542	236	208	248
1947	29,973	276	240	290
1948	30,510	287	260	319
1949	29,050	250	241	289
1950	28,688	258	256	307
1951	33,194	302	282	324
1952	32,977	288	287	328
1953	31,457	258	279	333
1954	30,460	3/ 249	281	313
August	2,529	3/ 249	3/ 281	320
September	3,213	246	280	307
October	3,586	242	279	291
November	3,301	3/ 242	279	308
December	2,812	239	279	353
1955:				
January	2,571	3/ 243	283	4/
February	1,948	3/ 244	283	4/
March	1,921	3/ 243	284	4/
April	1,998	247	284	4/
May	1,919	244	282	4/
June	1,959	243	282	4/
July	2,071	237	281	4/
August	2,436	233	279	4/

1/ Revised series. Farm marketings and government payments. 2/ Monthly figures adjusted for seasonal variation. U. S. Department of Commerce. 3/ Revised. 4/ Data not available.

Table 34.- Farm real estate values: Index numbers of average value per acre, by States, March 1, selected years 1915-55 1/
(1912-14 = 100)

State and division	1915	1920	1930	1935	1940	1945	1950	1951	1952	1953	1954	1955
Maine	96	142	124	94	95	118	132	130	127	137	126	121
New Hampshire	101	129	111	90	94	117	136	142	147	152	147	147
Vermont	104	150	123	101	101	129	176	185	196	196	186	181
Massachusetts	98	140	131	111	113	133	152	163	170	171	163	161
Rhode Island	102	130	134	118	120	144	184	199	203	203	200	197
Connecticut	100	137	140	123	124	150	191	204	210	213	209	213
New England	99	140	127	104	106	130	157	164	169	173	164	162
New York	100	133	103	84	86	109	152	159	175	175	166	162
New Jersey	100	130	125	111	116	149	194	204	230	233	234	238
Pennsylvania	100	140	107	82	90	123	157	180	200	199	200	206
Middle Atlantic	100	136	106	85	90	119	157	172	191	190	186	188
Ohio	107	159	90	66	77	120	167	200	224	223	220	234
Indiana	102	161	80	61	74	124	174	208	228	231	228	243
Illinois	102	160	91	61	75	112	162	190	206	210	209	213
Michigan	105	154	121	83	91	145	198	228	243	249	252	263
Wisconsin	104	171	117	82	84	110	145	162	172	172	162	159
East North Central	104	161	96	68	78	119	166	194	211	213	211	218
Minnesota	107	213	133	83	86	115	169	197	212	207	196	210
Iowa	112	213	113	67	74	108	158	183	194	188	181	193
Missouri	102	167	92	58	59	91	124	145	162	154	142	145
North Dakota	103	145	95	67	52	77	115	125	143	146	144	142
South Dakota	101	181	93	54	41	60	97	111	126	122	117	121
Nebraska	101	179	113	72	58	85	130	154	169	169	159	167
Kansas	103	151	113	73	71	112	169	189	208	211	198	205
West North Central	105	184	109	68	65	96	142	164	179	177	167	175
Delaware	100	139	111	82	89	123	158	170	195	199	193	203
Maryland	104	166	123	91	100	147	199	219	250	254	247	257
Virginia	97	189	134	97	112	171	235	267	300	310	300	305
West Virginia	101	154	105	78	85	106	139	155	164	165	160	161
North Carolina	102	223	158	111	136	224	341	377	425	446	428	445
South Carolina	94	230	104	76	89	162	203	225	244	249	244	246
Georgia	94	217	100	72	82	132	181	200	225	235	229	235
Florida	97	178	172	126	133	225	226	254	280	286	270	291
South Atlantic	98	199	127	92	106	169	224	250	278	288	278	287
Kentucky	100	200	127	87	113	187	272	310	344	330	312	308
Tennessee	100	200	123	91	108	177	265	295	319	321	298	293
Alabama	98	177	143	110	122	178	260	290	321	337	320	315
Mississippi	97	218	122	90	106	165	244	282	309	320	300	302
East South Central	99	199	128	93	112	178	263	297	326	327	307	304
Arkansas	95	222	141	88	95	167	247	284	309	302	288	293
Louisiana	95	198	132	103	121	162	221	235	253	264	256	264
Oklahoma	95	166	127	86	93	130	202	238	258	250	235	244
Texas	103	174	138	91	99	138	184	218	252	241	235	240
West South Central	100	177	136	91	99	140	192	226	255	247	239	245
Montana	100	126	83	47	57	91	122	137	148	143	135	133
Idaho	96	172	131	79	93	153	167	178	183	172	161	159
Wyoming	103	176	112	62	74	124	177	198	210	211	194	187
Colorado	93	141	90	49	62	104	145	159	168	156	141	133
New Mexico	100	144	126	77	95	182	250	284	299	287	260	250
Arizona	97	165	147	87	107	183	215	255	279	281	256	251
Utah	98	167	129	68	74	105	122	132	135	132	124	123
Nevada	102	135	102	59	65	106	121	135	141	139	129	122
Mountain	98	149	106	60	73	121	154	172	182	175	161	156
Washington	100	140	110	60	71	113	124	130	138	135	128	127
Oregon	99	130	111	62	73	113	119	128	134	130	121	118
California	111	167	164	97	106	195	184	202	210	207	197	204
Pacific	107	156	146	85	95	167	163	177	185	182	172	176
United States	103	173	115	76	82	124	168	193	211	209	201	206

1/ All farmlands, including improvements. Revised series.

Table 35.- Deposits of country banks: Index numbers of demand, time, and total deposits, selected groups of States, 1940-55 1/
(1947-49 = 100)

Year or month	20 of the leading agricultural States 2/				3 Lake States 3/			5 Corn Belt States 4/			8 Cotton States 5/		
	Total	Demand		Time	Total	Demand	Time	Total	Demand	Time	Total	Demand	Time
		Unadjusted	Adjusted for seasonal variations										
1940	26	21		45	30	25	36	24	20	36	24	20	47
1941	29	25		47	33	29	37	28	25	40	28	24	48
1942	35	33		47	37	37	38	35	33	42	35	33	48
1943	49	51		50	50	56	44	49	51	46	49	50	48
1944	63	66		59	63	69	56	63	66	57	62	63	55
1945	80	82		76	79	83	74	79	81	75	82	85	72
1946	96	98		90	97	103	91	95	97	89	99	102	88
1947	100	100		98	100	100	99	100	101	98	100	100	97
1948	101	101		101	101	102	101	101	101	101	101	102	100
1949	99	99		102	99	99	100	99	98	101	99	98	103
1950	102	102		104	101	103	99	101	101	102	100	100	104
1951	105	107		106	104	110	98	106	107	104	105	105	108
1952	111	112		118	109	117	103	111	111	113	113	112	119
1953	115	115		132	116	122	111	118	116	124	118	117	132
1954	119	117		146	122	127	117	123	120	134	122	118	150
August	118	115	116	148	122	127	118	122	119	136	118	113	152
September	119	117	117	148	124	131	119	124	120	136	120	115	153
October	121	120	118	149	125	131	120	125	122	137	126	122	154
November	122	121	118	150	125	132	120	126	123	137	128	125	155
December	123	122	119	150	125	132	120	126	123	137	129	125	157
1955:													
January	124	122	119	152	125	131	120	126	123	138	129	125	158
February	122	119	118	153	125	131	120	125	120	138	127	123	160
March	121	118	117	154	124	130	120	124	119	139	126	121	160
April	120	117	119	155	124	129	120	124	120	139	125	120	160
May	120	117	119	155	123	128	120	124	119	140	124	119	161
June	120	117	120	156	125	131	121	124	120	140	123	117	162
July	120	117	120	157	126	132	121	124	119	141	123	117	163
August	121	118	120	158	128	135	121	125	121	141	124	118	164

Year or month	3 Delta States 6/			Texas-Oklahoma			4 Great Plains States 7/			8 Mountain States 8/		
	Total	Demand	Time	Total	Demand	Time	Total	Demand	Time	Total	Demand	Time
1940	23	19	45	23	20	74	21	17	46	27	22	45
1941	27	23	45	26	23	77	23	20	47	29	25	45
1942	35	33	45	34	30	71	29	27	47	34	32	46
1943	47	49	43	47	47	62	45	45	49	52	52	51
1944	60	62	51	61	60	63	58	58	58	66	67	63
1945	79	81	67	81	81	78	73	73	74	84	84	83
1946	95	97	85	95	95	88	90	91	87	99	100	96
1947	96	97	95	97	98	93	99	100	97	99	99	98
1948	101	101	101	102	102	100	101	101	101	101	101	101
1949	103	103	104	101	100	107	100	99	102	100	100	101
1950	104	104	106	109	109	121	99	98	104	101	101	100
1951	110	110	108	111	110	132	101	100	106	107	108	104
1952	118	118	119	118	116	164	107	105	118	115	114	121
1953	127	126	132	118	114	201	109	105	134	119	115	137
1954	135	131	156	122	116	242	110	104	145	122	116	151
August	130	123	160	119	113	247	108	102	147	2/ 119	2/ 112	2/ 153
September	131	125	162	120	114	249	110	105	147	122	116	154
October	137	132	163	123	117	251	112	107	148	126	120	154
November	142	138	165	127	121	253	113	108	149	127	121	153
December	143	139	166	128	122	254	114	108	149	126	120	153
1955:												
January	145	141	169	129	123	265	115	110	150	126	120	155
February	144	139	171	127	121	270	113	107	151	124	117	156
March	143	137	172	125	118	273	110	104	151	122	115	156
April	143	138	173	124	118	277	110	103	152	122	114	156
May	142	136	174	123	116	279	108	102	152	121	114	156
June	140	134	176	122	115	278	107	100	153	121	114	157
July	140	133	177	122	115	282	108	101	153	123	116	158
August	139	132	178	122	114	285	110	103	153	123	115	161

1/ For earlier years see Agricultural Finance Review, vol. 15, Supp. I, May 1953, pp. 14 and 50. Indexes are based on deposits of member banks of the Federal Reserve System located in places of less than 15,000 population. Annual indexes are simple averages of monthly indexes which are based on average amounts of daily deposits. In preparing indexes for groups of States, the amounts of monthly deposits for each State are weighted by the cash farm income of each State in the base period.

2/ Ark., Ill., Ind., Iowa, Kans., Ky., Mich., Minn., Mo., Nebr., N. Y., N. C., N. Dak., Ohio, Okla., Pa., S. Dak., Tex., Wash., and Wis.

3/ Mich., Wis., and Minn.

4/ Ohio, Ind., Ill., Mo., and Iowa.

5/ N. C., S. C., Ga., Ala., Miss., Ark., La., and Okla.

6/ Miss., Ark., and La.

7/ N. Dak., S. Dak., Nebr., and Kans.

8/ Mont., Idaho, Wyo., Colo., N. Mex., Ariz., Utah, and Nev.

2/ Revised.

Table 36.- Comparative rates and yields on selected bonds and money rates, 1930-55

Year or quarter	Federal land bank bonds 1/		Federal intermediate credit bank debentures 1/ 4/	United States Government bond yields 5/		Municipal (high-grade) bond yields 8/	Industrial bond yields 9/	Rates on prime commercial paper (4-6 months) 5/ 10/	Federal Reserve bank discount rates New York 5/ 11/
	Rates 2/	Yields 3/		Partially tax-exempt bonds 6/	Fully taxable bonds 15 years and over 7/				
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1930	4.53	4.58	3.39	3.29	---	4.07	5.25	3.59	2.00-4.50
1931	4.52	5.13	3.21	3.34	---	4.01	6.08	2.64	1.50-3.50
1932	4.53	5.32	3.33	3.68	---	4.65	6.71	2.73	2.50-3.50
1933	4.45	5.18	2.55	3.31	---	4.71	5.34	1.73	2.00-3.50
1934	4.24	4.17	1.83	3.12	---	4.03	4.52	1.02	1.50-2.00
1935	3.86	3.13	1.50	2.79	---	3.41	4.02	.76	1.50
1936	3.60	2.81	1.50	2.69	---	3.07	3.50	.75	1.50
1937	3.54	2.75	1.50	2.74	---	3.10	3.55	.95	1.00-1.50
1938	3.53	2.37	1.24	2.61	---	2.91	3.50	.81	1.00
1939	3.53	1.90	.88	2.41	---	2.76	3.30	.59	1.00
1940	3.53	1.70	.75	2.26	---	2.50	3.10	.56	1.00
1941	3.53	---	.70	2.05	---	2.10	2.95	.54	1.00
1942	3.48	---	.77	2.09	2.46	2.36	2.96	.66	1.00
1943	3.42	---	.81	1.98	2.47	2.06	2.85	.69	1.00
1944	3.06	---	.87	1.92	2.48	1.86	2.80	.73	1.00
1945	2.45	---	.88	1.66	2.37	1.67	2.68	.75	1.00
1946	1.55	1.36	.93	---	2.19	1.64	2.60	.81	1.00
1947	1.55	1.46	1.11	---	2.25	2.01	2.67	1.03	1.00
1948	1.55	1.87	1.55	---	2.44	2.40	2.87	1.44	1.00-1.50
1949	1.57	1.54	1.47	---	2.31	2.21	2.74	1.48	1.50
1950	1.62	1.67	1.42	---	2.32	1.98	2.67	1.45	1.50-1.75
1951	1.71	2.24	2.08	---	2.57	2.00	2.89	12/ 2.16	1.75
1952	2.07	2.38	2.16	---	2.68	2.19	3.00	2.33	1.75
1953	2.38	2.74	2.52	---	2.93	2.72	3.30	2.52	1.75-2.00
1954	2.33	1.67	1.43	---	2.53	2.37	3.09	1.58	1.50-2.00
Jan.-Mar.	2.38	1.75	1.85	---	2.60	2.42	3.13	2.04	1.75-2.00
Apr.-June	2.37	1.52	1.40	---	2.51	2.48	3.07	1.64	1.50-1.75
July-Sept.	2.37	1.51	1.23	---	2.49	2.28	3.08	1.36	1.50
Oct.-Dec.	2.33	1.91	1.25	---	2.55	2.31	3.06	1.31	1.50
1955:									
Jan.-Mar.	2.32	2.42	1.56	---	2.69	2.42	3.11	1.61	1.50
Apr.-June	2.32	2.63	2.05	---	2.76	2.44	3.16	1.97	1.50-1.75
July-Sept.	2.32	2.88	2.39	---	2.89	2.64	3.23	2.33	1.75-2.25

1/ Farm Credit Administration.
2/ Based on bonds outstanding at end of each year or quarter, excluding bonds owned by issuing agency.
3/ Average yields on representative outstanding issues.
4/ Based on debentures issued during each year or quarter.
5/ Board of Governors of Federal Reserve System.
6/ Average of yields on all outstanding partially tax-exempt Government bonds due or callable after 12 years, 1930 to 1934, and after 15 years, 1935 to 1945.
7/ April 1, 1952, to date, fully taxable, marketable 2 1/2-percent bonds first callable after 12 years. Of these, the 1967-72 bonds are the longest term issues. Prior to April 1, 1952, only bonds due or first callable after 15 years were included.
8/ Standard and Poor's Corporation.
9/ Moody's Investors Service.
10/ Prevailing open-market rates in New York City.
11/ Discount rate on advances secured by Government obligations and on discounts of and advances secured by eligible paper. A rate of one-half of 1 percent was effective from October 30, 1942, to April 23, 1946, on advances secured by Government obligations maturing or callable in 1 year or less.
12/ Revised.

LIST OF AVAILABLE PUBLICATIONS AND REPORTS
RELATED TO AGRICULTURAL FINANCE

		Date issued
Agricultural Credit:		
Farm Investments of Life Insurance Companies	ARS 43-20	Sept. 1955
U. S. Mortgaged Farms, 1950, Estimates by Ratio of Debt to Value	ARS 43-13	Aug. 1955
Financing Broiler Production by Banks and Production Credit Associations in the South	South. Coop. Series Bul. 44	June 1955
Farm Credit in a Southern Great Plains Drought Area	ARS 43-12	June 1955
Amortization of Loans - Its Application to Farm Problems		May 1954
Bank Financing of Dairy Farmers in Northern Vermont	U.S.D.A. Agr. Inf. Bul. 129	May 1954
Factors Affecting Farm Loan Interest Rates	U.S.D.A. Agr. Inf. Bul. 126	May 1954
1950 Farm-Mortgage Debt, Cooperative Report, 1950 Census of Agriculture, Vol. V, Pt. 8		Dec. 1952
Farm-Mortgage Interest Charges and Interest Rates, 1940-48	U.S.D.A. Cir. 821	Oct. 1949
Farm-Mortgage Loans and Their Distribution by Lender Groups, 1940-48	U.S.D.A. Cir. 812	Aug. 1949
Farm-Mortgage Loans Made or Recorded by Principal Lenders		Apr. 1949
Farm Taxation:		
The Impact of Federal Income Taxes on Farm People	ARS 43-11	July 1955
Taxes Levied on Farm Real Estate in 1954	ARS 43-17	July 1955
Property Tax Problems in the Southeast (In cooperation with South Carolina Agricultural Experiment Station)	S. C. Agr. Expt. Sta. Bul. 414	Jan. 1954
Assessment of Farm Real Estate for Tax Purposes in South Carolina (In cooperation with South Carolina Agricultural Experiment Station)	S. C. Agr. Expt. Sta. Bul. 416	Jan. 1954
Property Tax Assessment in West Virginia	W. Va. Agr. Expt. Sta. Bul. 358	Mar. 1953
Farm Insurance:		
Safety Funds of Ohio Farm Mutuals (Address)		Feb. 1955
Legal Liability Risks and Insurance Protection for Farmers	AIB 122	Apr. 1954
Farm Mutual Reinsurance	U.S.D.A. Agr. Inf. Bul. 119	Dec. 1953
Farm Mutual Reinsurance (Address, Virginia Association of Mutual Insurance Companies)		Aug. 1953
Farmers' Mutual Windstorm Insurance	U.S.D.A. Agr. Inf. Bul. 70	Jan. 1952
Hail Insurance on Growing Crops	U.S.D.A. Agr. Inf. Bul. 56	June 1951
Insurance for Farmers	U.S.D.A. Farm. Bul. 2016	June 1950
Physical Risks in Farm Production	Library List 49	Aug. 1949
Crop and Livestock Insurance, 1941-1948	Library List 47	June 1949
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Fire Departments for Rural Communities - How to Organize and Operate Them	U.S.D.A. Leaflet 375	Oct. 1954
Financial Structure of Virginia Agriculture	U.S.D.A. Agr. Inf. Bul. 97	Feb. 1953
Some Aspects of Farm Housing and Service Buildings in Michigan	Mich. Agr. Expt. Sta. Tech. Bul. 232	June 1952
Farm Housing and Construction		Feb. 1952
Variability of Cotton Yields, by Counties, in the United States		Aug. 1952
Variability of Corn Yields, by Counties, in the United States		July 1952
Stabilizing Farm Income Against Crop Yield Fluctuations (In cooperation with North Dakota Agricultural Experiment Station)	N. Dak. Agr. Expt. Sta. Bul. 362	Sept. 1950
Fatal Accidents in Farm Work		Sept. 1949
Managing Farm Finances	U.S.D.A. Misc. Pub. 652	Sept. 1948
Fire Safeguards for the Farm	U.S.D.A. Farm. Bul. 1643	1949

LIST OF ARTICLES IN RECENT ISSUES OF THE AGRICULTURAL FINANCE REVIEW

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- *Rural Homestead and Veterans' Exemptions in Property Taxation.
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- **Hail Insurance on Growing Crops in the United States.
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- Farm-Mortgage Recordings Rise Sharply in First Half of 1950.
- Farm-Mortgage Debt Shows Further Rise in First Half of 1950.
- Percentage Distribution of Mortgage Loans Made and Held by Life Insurance Companies.
- United States Savings Bonds.
- Farm Real Estate Developments.
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- Research Projects in Agricultural Finance - Agricultural Credit, Agricultural Risks and Insurance, Farm Taxation, Local Government and Public Finance, and Farm Construction.

Vol. 13, Supp., May 1951:
- Farm-Mortgage Debt Situation, January 1, 1951.
- Non-Real-Estate Credit Situation.
- Country Bank Deposits Increase Less Rapidly Than Deposits in Large Cities During 1950.
- Farmer-Owned Demand Deposits Increase Less Than Demand Deposits Owned by Businesses and Other Individuals.
- Farm Real Estate Taxes.
- Federal Income Taxes Paid by Farmers.
- Farm Fire Losses.
- Farmers' Mutual Fire Insurance.

Vol. 14, November 1951:
- *Use of Yield Variability Data in the Estimation of Land Values.
- *Commercial Bank Deposits in Rural and Urban Areas.
- *Trends in Non-Real-Estate Farm Debt.
- *Capital Gains and Farmers' Income Taxes.
- *Farm Housing and Construction During Defense Mobilization.
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- Deposits Increase in All Regions and Classes of Counties During 1951.
- Farmer-Owned Demand Deposits Increase Substantially.
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- Federal Income Taxes Paid by Farmers.
- Farm Fire Losses.
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- Farmers' Mutual Fire Insurance.

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- Financing the Broiler Industry on the Del-Mar-Va Peninsula.
- Farmer Bankruptcies.
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- Two Studies of Farm Property Taxation.
- Federal Crop Insurance.
- Crop-Hail Insurers Expand Coverages.
- Insurance Practices of Indiana Farmers.
- Burial Associations in North Carolina.
- Research Projects in Agricultural Finance - Agricultural Credit, Agricultural Risks and Insurance, Farm Taxation, Local Government and Public Finance, and Farm Construction.

Vol. 15, Supp. I, May 1953:
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- Revised Farm-Mortgage Debt Estimates, 1940-53.
- Non-Real-Estate Farm Debt.
- Bank Deposits Increase Further During 1952.
- Deposits of Country Banks.
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- Farm Fire Losses.
- Farmers' Mutual Fire Insurance.

Vol. 15, Supp. II, October 1953:
- Farm Financial Outlook for 1954.

Vol. 16, November 1953:
- *Fitting Insurance to Farmers' Needs and Circumstances.
- *Old-Age and Survivors Insurance for Farmers.
- *Ratios of Assessed Value to Full Value of Farm Property.
- **Property Tax Problems in the Southeast.
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- Recent Legislation on Liability Affecting Farmers.
- Personal Insurance Carried by Farmers in Central and East Central Wisconsin, 1951.
- Farm Owners Good Drivers: Farm Laborers Not So Good.
- Taxable Income From Insurance.
- New Income Tax Provisions Regarding Farm Storage Facilities.
- Research Projects in Agricultural Finance - Agricultural Credit, Agricultural Risks and Insurance, and Farm Taxation, Local Government and Public Finance.

Vol. 16, Supp. I, May 1954:
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- The Non-Real-Estate Debt.
- Bank Deposits Increase Most During 1953 in Agricultural Counties.
- Farmers' Mutual Fire Insurance.
- Farm Fire Losses.
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Vol. 17, November 1954:
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- *Emergency Credit for Farmers.
- *Farmers and the 1954 Internal Revenue Code.
- **Windstorm Insurance on Bananas in Jamaica.
- Asset Structures of Banks in Selected Agricultural Counties, Small Communities, and Larger Centers.
- Rural Telephone Loan Program.
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- Vocational Rehabilitation for Farmers Too.
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- CCC Storage Facility and Equipment Loans.
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- Life Insurance Held by Farmers in Wharton County, Texas, 1952.
- Research Projects in Agricultural Finance - Agricultural Credit, Agricultural Risks and Insurance, and Farm Taxation, Local Government, and Public Finance.

Vol. 17, Supp., May 1955:
- Farm-Mortgage Debt Situation.
- Non-Real-Estate Farm Debt.
- Bank Deposits in Agricultural Counties Increased Again in 1954 but at Lower Rate Than Earlier.
- Farmers' Mutual Fire Insurance.
- Farm Fire Losses.
- Farm Property Taxes.

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